

RACHEL CHARITABLE TRUST

England & Wales · Charity number 276441

Details

Status Registered

Legal form Trust

Registered 1978-09-14

Register [View on the Charity Commission register](#)

Contact

Address Second Floor
The Hide
3 Kingly Court
London
W1B 5PW

Phone 02078463036

Activities

Objects: TO PAY OR APPLY THE WHOLE OF THE INCOME AND THE CAPITAL OF THE TRUST FUND BEING ALL THE ASSETS AND PROPERTY OF THE TRUST HELD FROM TIME TO TIME TO OR TOWARDS OR IN FURTHERANCE OR FOR THE BENEFIT OF SUCH ONE OR MORE LAWFUL CHARITIES LAWFUL CHARITABLE INSTITUTIONS OR LAWFUL CHARITABLE PURPOSES IN ANY PART OF THE WORLD IN SUCH SHARES AND IN SUCH MANNER AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION MAY FROM TIME TO TIME DETERMINE.

Activities: MAKING GRANTS TO RELIEVE THE SICK AND NEEDY, AND TO SCHOOLS, COLLEGES AND OTHER CHARITABLE INSTITUTIONS

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes
- **Who:** People Of A Particular Ethnic Or Racial Origin

Geography

- **Area of benefit:** WORLDWIDE
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£5,357,838	£5,033,534	£28,867,559	0
2024-06-30	£8,337,488	£3,771,270	£27,299,038	0
2023-06-30	£4,609,931	£4,670,557	£25,517,251	0
2022-06-30	£5,853,120	£3,787,277	£26,675,174	0
2021-06-30	£5,679,620	£3,585,738	£20,482,084	0

Trustees

Name	Role	Appointed
Alan Maxwell Karsberg		2024-01-22
Leo Noe		1987-01-19
SIMON KANTER		2007-01-24
Steven Michael Noe		2022-01-31
Susan Noe		1987-01-19

RACHEL CHARITABLE TRUST

England & Wales - Charity number 276441

Accounts

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025
FOR
RACHEL CHARITABLE TRUST**

Melinek Fine LLP
Chartered Accountants
Statutory Auditors
First Floor, Winston House
349 Regents Park Road
London
N3 1DH

RACHEL CHARITABLE TRUST
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 5
Report of the Independent Auditors	6 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 24

RACHEL CHARITABLE TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 30 JUNE 2025

TRUSTEES	L Noe S D Noe S Kanter S M Noe A Karsberg
PRINCIPAL ADDRESS	2nd Floor, The Hide 3 Kingly Court London W1B 5PW
REGISTERED CHARITY NUMBER	276441
AUDITORS	Melinek Fine LLP Chartered Accountants Statutory Auditors First Floor, Winston House 349 Regents Park Road London N3 1DH
SOLICITORS	Fladgate LLP 16 Great Queen Street London WC2B 5DG
BANKERS	Metro Bank 1 Southampton Row London WC1B 5HA
CHARITY SECRETARY	R Chalk

RACHEL CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2025

The trustees present their report with the financial statements of the charity for the year ended 30 June 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity was established for general charitable purpose and in particular for the relief of poverty and the advancement of religion and religious education.

Aims, Objectives and Activities for Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The trustees identify institutions and organisations which meet its above charitable objects and regularly support a number of these institutions and organisations, not only in England but also worldwide. In doing so the charity has complied with its duty to act for the public benefit in accordance with Section 4 of the Charities Act 2006.

The organisations and institutions which are regularly supported by Rachel Charitable Trust are growing and thus there is a continual call for support.

Grantmaking

The Charity makes Grants and Donations to Colleges and Institutions for the advancement of religion and education and to Institutions for the relief of poverty in accordance with the Charity's objectives. The recipient Institutions are based both in the United Kingdom and abroad.

In making Grants and Donations, the Trustees use their personal knowledge of the Institution, its representatives, operational efficiency and reputation. The Trustees monitor the application of the Grants and Donations by meeting with representatives of the Institutions and obtaining information as to the utilisation of funds.

All applications for grants are reviewed by the trustees and considered for approval at trustees' meetings.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The main areas of charitable activity are the provision of financial support to organisations engaging in religious education, advancement of religion and philanthropic aid to the needy. Charitable distributions were funded from current year incoming resources. During the year, £2,616,428 (2024:£2,318,752) was made in furtherance of the charity's objectives. Over 70 institutions and organisation were the recipients of the above donations.

FINANCIAL REVIEW

Financial position

The charity is dependent on income from investments and voluntary donations.

Movement in investment properties during the year was an increase of £715,000.

Investment income in the year was £3,688,788 (2024:£2,759,549) and voluntary donation income in the year was £1,669,050 (2024:£5,577,939).

Expenditure before charitable donations for the year was £2,417,106 (2024:£1,452,518). Charitable donations in the year was £2,616,428 (2024:£2,318,752).

Net income before gains and losses on investments in the year was a surplus of £324,304 (2024:£4,566,218) Gain on revaluation of investment properties in the year was £1,256,624 (2024:£2,784,431 loss).

RACHEL CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL REVIEW

Investment policy and objectives

In accordance with the trust deed, the charity has the power to make any investments which the trustees consider appropriate. The Trustees seek investments which, over a medium term, are anticipated to generate a dependable flow of income coupled with capital growth. The trustees regularly review the charity's position and needs in respect of the investment policy.

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory incoming resources.

Investment

The Charity's investment properties are included in the Balance Sheet at fair value, as fully disclosed in Note 15 to the Financial Statements. An independent professional revaluation of the investment properties was carried out by RICS Registered Valuers on a selection of investment properties and other investment properties was valued by the trustees. The valuation figures are based on open market value assessed in accordance with the RICS Valuation - Current Global Standards (incorporating the International Valuation Standards).

Reserves policy

The Charity is required to maintain Reserves in order to ensure that it is in a position to continue its grant-making activities and cover contingencies of additional calls being made upon the Charity for support of organisations or institutions in times of need.

Consequently, the Trustees consider it appropriate to maintain 'Free Reserves' at a level which will not impinge on its ability to support Charitable Institutions.

At 30 June 2025, the charity has total funds of £28,867,559. These funds include £1,490,377 deficit which arises from the revaluation of the Charity's investments. The Charity has reserves of £28,837,559 after making allowances for reserves not readily available, these reserves include the Free Reserves of the Charity.

The trustees have reviewed the cashflow projections of the charity and given the projected flow of rental and other income the charity has sufficient cash to meet its commitments as they fall due.

Key Performance Indicators (KPIs)

The Trustees monitor the Charity's performance progress against its strategic objectives and the financial performance of its operations on a regular basis. Performance is assessed against the strategy and expectations using financial and non-financial measures. The most significant KPIs used by the Charity are as follows:

	2025	2024
Grants and donations paid out	£2.6million	£2.3million
Net rental income	£1.3million	£1.1million
Dividend income	£Nil	£0.1million
Investment property at fair value	£47.2million	£46.5million

FUTURE PLANS

The charity's strategy is to manage its investments over the long term to produce a sustainable income stream to fund future grant-making activity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is governed by a Trust Deed dated 9 July 1978 as amended by Deed dated 27 October 1998, as amended by Deeds dated 30 April 2001.

Recruitment and appointment of new trustees

The organisation is run by the trustees who do not receive any remuneration in their capacity as trustees.

The statutory power of appointing new trustees or a new trustee is exercisable by the trustees during their joint lives and thereafter by the survivor of them.

New Trustees are inducted into the workings of the Charity by the existing Trustees.

RACHEL CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have identified and reviewed the major risks to which the Trust is exposed, in particular those related to the operations and finance of the Trust, and are satisfied that systems are in place to mitigate those risks.

Financial Risk management and policies

The charity holds or issues financial instruments in order to achieve three main objectives being:

- a) to finance its operations;
- b) to manage its exposure to interest and currency risks arising from operations and from its sources of finance; and
- c) for generating funds.

In addition various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the charity's operations.

Credit risks

The charity monitors credit risk closely and considers that its current policies of credit risk checks meets its objectives of managing exposure to credit risk.

The charity has no significant concentrations of credit risks. Amounts shown in the balance sheet represent the maximum credit exposure in the event other parties fail to perform their obligations under the financial instruments including charitable loans that are made in the furtherance of charitable objectives.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and The Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RACHEL CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2025

Approved by order of the board of trustees on 22/11/2025 and signed on its behalf by:



.....
L Noe - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF RACHEL CHARITABLE TRUST

Opinion

We have audited the financial statements of Rachel Charitable Trust (the 'charity') for the year ended 30 June 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
RACHEL CHARITABLE TRUST**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
RACHEL CHARITABLE TRUST**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our: general commercial and sector experience; through verbal and written communications with trustees and other management; and via inspection of the charity's regulatory and legal correspondence.

We discussed with those charged with trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations to our team and remained alert to any indicators of non-compliance throughout the audit, we also specifically considered where and how fraud may occur within the charity.

The potential effect of these laws and regulations on the financial statements varies considerably.

-Firstly, the charity is subject to laws and regulations that directly affect the financial statements, including: the charity's constitution, relevant financial reporting standards; charity law; tax legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, for instance through the imposition of fines and penalties, or through losses arising from litigation.

We identified the following areas as those most likely to have such an affect: tenants and landlord acts; health and safety legislation; data protection legislation; anti-bribery and corruption legislation.

International Standards on Auditing (UK) limit the required procedures to identify non-compliance with these laws and regulations, and no procedures over and above those already noted are required. These limited procedures did not identify any actual or suspected non-compliance with laws and regulations that could have a material impact on the financial statements.

In relation to fraud, we performed the following specific procedures in addition to those already noted:

-Challenging assumptions made by management in its significant accounting estimates.

-Identifying and testing journal entries during the period and post balance sheet date, in particular any entries posted with unusual nominal ledger account combinations, journal entries crediting cash or any revenue account, journal entries posted by senior management.

-Performing analytical procedures to identify unexpected movements in account balances which may be indicative of fraud;

-Ensuring that testing undertaken on both the statement of financial activities and the Balance Sheet includes a number of items selected on a random basis.

These procedures did not identify any actual or suspected fraudulent irregularity that could have a material impact on the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
RACHEL CHARITABLE TRUST**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with International Auditing Standards (UK). For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the procedures that we are required to undertake would identify it. In addition, as with any audit, there remains a high risk of non-detection of irregularities, as these might involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls. We are not responsible for preventing non-compliance with laws and regulations or fraud, and cannot be expected to detect non-compliance with all laws and regulations or every incidence of fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Melinek Fine LLP
Chartered Accountants
Statutory Auditors
First Floor, Winston House
349 Regents Park Road
London
N3 1DH

Date: 29/4/2018

RACHEL CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 Unrestricted fund £	2024 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3	1,669,050	5,577,939
Investment income	4	3,688,788	2,759,549
Total		5,357,838	8,337,488
EXPENDITURE ON			
Raising funds	5	2,400,274	1,440,518
Charitable activities	6		
Education and training		1,429,359	1,050,954
The advancement of health		102,700	78,425
The prevention and relief of poverty		316,025	242,664
Religious activities		158,980	221,029
Other charitable purposes		609,364	725,680
Other		16,832	12,000
Total		5,033,534	3,771,270
Net gains/(losses) on investments		1,244,217	(2,784,431)
NET INCOME		1,568,521	1,781,787
RECONCILIATION OF FUNDS			
Total funds brought forward		27,299,038	25,517,251
TOTAL FUNDS CARRIED FORWARD		28,867,559	27,299,038

The notes form part of these financial statements

RACHEL CHARITABLE TRUST

**BALANCE SHEET
30 JUNE 2025**

	Notes	2025 Unrestricted fund £	2024 Total funds £
FIXED ASSETS			
Tangible assets	13	30,000	30,000
Investments			
Investments	14	1	1
Investment property	15	47,215,000	46,500,000
		<u>47,245,001</u>	<u>46,530,001</u>
CURRENT ASSETS			
Debtors	16	1,787,373	1,346,373
Investments	17	1,995,000	1,995,000
Cash at bank		1,428,949	1,276,192
		<u>5,211,322</u>	<u>4,617,565</u>
CREDITORS			
Amounts falling due within one year	18	(10,206,233)	(2,558,959)
NET CURRENT ASSETS		<u>(4,994,911)</u>	<u>2,058,606</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		42,250,090	48,588,607
CREDITORS			
Amounts falling due after more than one year	19	(13,382,531)	(21,289,569)
NET ASSETS		<u>28,867,559</u>	<u>27,299,038</u>
FUNDS	22		
Unrestricted funds		<u>28,867,559</u>	<u>27,299,038</u>
TOTAL FUNDS		<u>28,867,559</u>	<u>27,299,038</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 22.11.2025 and were signed on its behalf by:



.....
L Noe - Trustee

RACHEL CHARITABLE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,325,523</u>	<u>4,295,582</u>
Net cash provided by operating activities		<u>1,325,523</u>	<u>4,295,582</u>
Cash flows from investing activities			
Purchase of investment property		(208,376)	(13,857,431)
Sale of investment property		737,593	-
Interest received		29,930	114,403
Dividends received		-	98,500
Net cash provided by/(used in) investing activities		<u>559,147</u>	<u>(13,644,528)</u>
Cash flows from financing activities			
Proceeds from borrowings		-	7,412,842
Loan repayments in year		(318,681)	(400,000)
Interest paid		(1,413,232)	(824,973)
Net cash (used in)/provided by financing activities		<u>(1,731,913)</u>	<u>6,187,869</u>
Change in cash and cash equivalents in the reporting period			
		<u>152,757</u>	<u>(3,161,077)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,276,192</u>	<u>4,437,269</u>
Cash and cash equivalents at the end of the reporting period		<u>1,428,949</u>	<u>1,276,192</u>

The notes form part of these financial statements

RACHEL CHARITABLE TRUST
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

1.	RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2025	2024
		£	£
	Net income for the reporting period (as per the Statement of Financial Activities)	1,568,521	1,781,787
	Adjustments for:		
	(Gain)/losses on investments	(1,244,217)	2,784,431
	Interest received	(29,930)	(114,403)
	Dividends received	-	(98,500)
	Interest payable	1,413,232	824,973
	Increase in debtors	(441,000)	(108,801)
	Increase/(decrease) in creditors	58,917	(773,905)
	Net cash provided by operations	<u>1,325,523</u>	<u>4,295,582</u>

2.	ANALYSIS OF CHANGES IN NET DEBT	At 1.7.24	Cash flow	At 30.6.25
		£	£	£
	Net cash			
	Cash at bank	1,276,192	152,757	1,428,949
		<u>1,276,192</u>	<u>152,757</u>	<u>1,428,949</u>
	Liquid resources			
	Deposits included in cash	-	-	-
	Current asset investments	1,995,000	-	1,995,000
		<u>1,995,000</u>	<u>-</u>	<u>1,995,000</u>
	Debt			
	Debts falling due within 1 year	(400,000)	(7,353,500)	(7,753,500)
	Debts falling due after 1 year	(20,632,319)	7,672,181	(12,960,138)
		<u>(21,032,319)</u>	<u>318,681</u>	<u>(20,713,638)</u>
	Total	<u>(17,761,127)</u>	<u>471,438</u>	<u>(17,289,689)</u>

The notes form part of these financial statements

RACHEL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charitable trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

As part of the trustees' assessment of going concern, the trustees have reviewed the cash flow projections of the charity. In light of the projected flow of rental income and the current and future committed support from the charity's lender, it is the opinion of the trustees, that the charity has sufficient cash to meet its commitments as they fall due.

Future assumption continues to be that the income will continue from the charity's investments, and the risks are subject to ensuring that lessees continue to be suitable for letting to tenants.

Income

All income is recognised in the income and expenditure when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations is accounted for only when received.
- rental income is recognised on the basis of rental agreement.
- interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities

Grants payable are charged to the income and expenditure once the charity has made a commitment to pay the grant and this has been communicated to the beneficiary or the grant has been paid, whichever is earlier.

RACHEL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2025

1. ACCOUNTING POLICIES - continued

Charitable activities

Charitable commitments are provided for in the financial statements if there is a legal or constructive obligation at the year end.

Charitable commitments are derecognised when the charity's contractual obligations are discharged or cancelled.

Governance costs

Governance costs include the cost of the preparation and audit of the financial statements and the cost of any legal advice to the trustees on governance or constitutional matters.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Properties donated to the charity are included at fair value at the date of acquisition. No depreciation is charged on property interest in land.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost. Subsequent to initial recognition:

Investment properties are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the income and expenditure in the period that they arise.

Investment property fair value is based on a valuation by an external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and class of property being valued. Any gain or loss arising from a change in fair value is recognised in the income and expenditure.

Acquisitions and disposals are considered to have taken place at the date of exchange and are included in the financial statements accordingly.

Taxation

The charity is exempt from tax on its charitable activities. The charity is not liable to direct taxation on its income which falls within the various exemptions available to registered charities. As a result no deferred tax is provided on timing differences. The charity is registered for Value Added Tax (VAT) in respect of its investment properties and therefore is able to reclaim any input tax it suffers on its property expenses and purchases. Expenditure in the accounts other than on investment property is therefore shown inclusive of VAT where appropriate.

Fund accounting

The Charity currently only has unrestricted funds.

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees to further any of the charity's purposes. This represents the accumulated surplus on income and expenditure account and the excess of fair value over the cost of investments.

RACHEL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2025

1. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments are subsequently measured at fair value, with any changes recognised in income and expenditure.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Investment properties

The valuation of the Charity's investment property portfolio is inherently subjective, depending on many factors, including the individual nature of each property, its location and expected future net rental values, market yields and comparable market transactions. Therefore the valuations are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions. All the Charity's investment properties are valued by external valuers with appropriate qualifications and experience.

Investments

The Charity makes an estimate of the fair value of unlisted investments. When assessing fair value of such investments, management considers factors including the current net assets and profitability of the investment. Therefore, the valuation is subjective to a degree of uncertainty and is made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions.

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025**

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - continued

Debtors

Debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment. The estimation of impairments is such that actual outcomes could differ significantly from those estimates.

3. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	<u>1,669,050</u>	<u>5,577,939</u>

4. INVESTMENT INCOME

	2025	2024
	£	£
Rents received	3,658,858	2,546,646
Fixed asset investments	-	98,500
Deposit account interest	29,930	114,403
	<u>3,688,788</u>	<u>2,759,549</u>

5. RAISING FUNDS

Investment management costs

	2025	2024
	£	£
Management costs	112,024	70,194
Property repairs & maintenance costs	201,437	49,465
Rates & insurance	114,674	73,803
Legal & professional fees	415,925	268,520
Other portfolio management cost	142,982	33,943
Interest payable & bank charges	1,413,232	824,973
Provision for bad debts	-	119,620
	<u>2,400,274</u>	<u>1,440,518</u>

6. CHARITABLE ACTIVITIES COSTS

The total grants made to institutions during the year was as follows:

	2025	2024
	£	£
The Kemach Foundation	767,000	329,476
Other donations less than £250,000	1,849,428	1,989,276
	<u>2,616,428</u>	<u>2,318,752</u>

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025**

7. GRANTS PAYABLE

	2025	2024
	£	£
Education and training	1,429,359	1,050,954
The advancement of health	102,700	78,425
The prevention and relief of poverty	316,025	242,664
Religious activities	158,980	221,029
Other charitable purposes	609,364	725,680
	2,616,428	2,318,752

All donations were made to charitable institutions whose objects are in line with the objects of the charity.

8. SUPPORT COSTS

	Governance costs
	£
Other resources expended	16,832

9. AUDITORS' REMUNERATION

	2025	2024
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	12,000	9,500
Other non-audit services	4,832	2,500
Total fees payable	16,832	12,000

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2025 nor for the year ended 30 June 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2025 nor for the year ended 30 June 2024.

11. STAFF COSTS

There were no staff costs for the year ended 30 June 2025 nor for the year ended 30 June 2024.

The average monthly number of employees during the year was 0 (2024:0).

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	5,577,939
Investment income	2,759,549
Total	<u>8,337,488</u>
EXPENDITURE ON	
Raising funds	1,440,518
Charitable activities	
Education and training	1,050,954
The advancement of health	78,425
The prevention and relief of poverty	242,664
Religious activities	221,029
Other charitable purposes	725,680
Other	12,000
Total	<u>3,771,270</u>
Net gains/(losses) on investments	<u>(2,784,431)</u>
NET INCOME	1,781,787
RECONCILIATION OF FUNDS	
Total funds brought forward	25,517,251
TOTAL FUNDS CARRIED FORWARD	<u><u>27,299,038</u></u>
13. TANGIBLE FIXED ASSETS	
	Freehold property £
COST	
At 1 July 2024 and 30 June 2025	<u>30,000</u>
NET BOOK VALUE	
At 30 June 2025	<u><u>30,000</u></u>
At 30 June 2024	<u><u>30,000</u></u>

The property is held for use by Charity and is stated at historical cost.

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025**

14. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 July 2024 and 30 June 2025	1
	<u>1</u>
NET BOOK VALUE	
At 30 June 2025	1
	<u>1</u>
At 30 June 2024	1
	<u>1</u>

There were no investment assets outside the UK.

Fixed asset investments comprise share in F&C REIT Club Deals 5 LP valued by the Trustees at their fair value based on the underlying value of assets less liabilities.

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 July 2024	46,500,000
Additions	208,376
Disposals	(750,000)
Revaluation	1,256,624
	<u>47,215,000</u>
At 30 June 2025	47,215,000
	<u>47,215,000</u>
NET BOOK VALUE	
At 30 June 2025	47,215,000
	<u>47,215,000</u>
At 30 June 2024	46,500,000
	<u>46,500,000</u>

All Investment properties are stated at fair value as at 30 June 2025.

An independent professional revaluation of some of the Charity's investment properties were carried out in the year ended 30 June 2025 by RICS Registered Valuers. The valuation figures are based on open market value assessed in accordance with the RICS Valuation - Current Global Standards (incorporating the International Valuation Standards).

The historical cost of the Charity's Investment Properties at 30 June 2025 is £45,091,162 (2024:£46,905,509).

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	398,079	159,622
Other debtors	1,389,294	1,186,751
	<u>1,787,373</u>	<u>1,346,373</u>

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025**

17. CURRENT ASSET INVESTMENTS

	2025	2024
	£	£
Other investments	<u>1,995,000</u>	<u>1,995,000</u>

Other current assets investments comprises shares in Quay LP (Edinburgh) which are short-term in nature and are held for short-term gains.

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Bank loans and overdrafts (see note 20)	7,753,500	400,000
Trade creditors	234,931	32,328
Taxation and social security	140,372	-
Other creditors	<u>2,077,430</u>	<u>2,126,631</u>
	<u>10,206,233</u>	<u>2,558,959</u>

Other creditors include charitable commitments of £1,043,203 (2024:£1,271,823) pledged to be paid within one year.

Included in charitable commitments of £1,043,203 payable within one year are £71,000 (2024:£160,600) payable to charities with common trustees.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Bank loans (see note 20)	12,960,138	20,632,319
Other creditors	<u>422,393</u>	<u>657,250</u>
	<u>13,382,531</u>	<u>21,289,569</u>

Other creditors include charitable commitments of £422,393 (2024:£657,250) pledged to be paid after more than one year.

20. LOANS

An analysis of the maturity of loans is given below:

	2025	2024
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>7,753,500</u>	<u>400,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>4,604,239</u>	<u>8,306,839</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments:		
Bank loans more 5 yrs non-inst	<u>8,355,899</u>	<u>12,325,480</u>

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025**

21. SECURED DEBTS

The following secured debts are included within creditors:

	2025 £	2024 £
Bank loans	20,713,638	21,032,319

Bank loans are secured by charges over the Charity's investment properties and bear interest at variable rates.

22. MOVEMENT IN FUNDS

	At 1.7.24 £	Net movement in funds £	At 30.6.25 £
Unrestricted funds			
General fund	27,299,038	1,568,521	28,867,559
TOTAL FUNDS	27,299,038	1,568,521	28,867,559

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	5,357,838	(5,033,534)	1,244,217	1,568,521
TOTAL FUNDS	5,357,838	(5,033,534)	1,244,217	1,568,521

Comparatives for movement in funds

	At 1.7.23 £	Net movement in funds £	At 30.6.24 £
Unrestricted funds			
General fund	25,517,251	1,781,787	27,299,038
TOTAL FUNDS	25,517,251	1,781,787	27,299,038

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	8,337,488	(3,771,270)	(2,784,431)	1,781,787
TOTAL FUNDS	8,337,488	(3,771,270)	(2,784,431)	1,781,787

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025**

23. RELATED PARTY DISCLOSURES

During the year the charity was charged £96,314 (2024: £133,238) for legal services charged by Fladgate LLP, a firm in which Mr S Kanter, trustee of the charity, is a partner. The partnership provided their services at a discounted charitable rate. The details are as follows:

	2025	2024
	£	£
Investment Management Costs	19,880	29,569
Property sale/purchase	76,434	103,669
	96,314	133,238
	96,314	133,238

During the year, the charity paid grants to charitable organisations that have some trustees in common with Rachel Charitable Trust as follows:

	2025	2024
	£	£
The Kemach Foundation	767,000	726,375
Kemach Kidum Miktzoe Charedi	-	66,610
Kisharon	18,023	69,695
The Center for Social Justice	17,500	34,950
Kanter Jules Charitable Trust	-	1,500
The CSJ Foundation	3,500	-
United Jewish Israel Appeal	120,000	105,500
London School of Jewish Studies	16,100	7,900
	942,123	1,012,530
	942,123	1,012,530

During the year, the trustee, Mr L Noe was repaid £nil (2024:£nil) of his loan to the charity, further to which he donated £nil (2024:£nil) to the charity. At the year end amounts owing to the trustee was £5,000 (2024:£5,000).

Included in Donations and Legacies income in the year are £Nil (2024: £4m) received from an organisation related to the charity trustees.

24. EVENTS AFTER THE BALANCE SHEET DATE

In November 2025, Rachel Charitable Trust transferred approximately 50% of its investment property portfolio to the subsidiary company, Streamdale Properties Limited, based on market values, and repaid £7.6 million of its bank borrowings.

25. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2025	2024
	£	£
Financial assets measured at amortised cost		
Financial assets measured at amortised cost	2,818,243	2,514,547
	2,818,243	2,514,547
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	22,830,612	23,257,062
	22,830,612	23,257,062

Financial assets measured at amortised cost are comprised of trade, other debtors and cash at bank.

Financial liabilities measured at amortised cost are comprised of trade creditors, other creditors and loans.

RACHEL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025

26. OPERATING LEASE COMMITMENTS

As Lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:
There are no contingent rents.

	2025	2024
	£	£
Not later than 1 year	2,833,399	2,434,453
Later than 1 year and not later than 5 years	5,862,791	6,706,403
Later than 5 years	2,205,504	2,492,543
	<u>10,901,694</u>	<u>11,633,399</u>

The Charity has also entered into a number of non-cancellable operating leases as lessor for which the total future minimum lease payments are £5,450,847 (2024:£5,430,962).

Lease income have not been discounted or adjusted for future increases.

RACHEL CHARITABLE TRUST

England & Wales - Charity number 276441

Accounts

**Report of the Trustees and
Financial Statements
for the Year Ended 30 June 2024
for
RACHEL CHARITABLE TRUST**

Melinek Fine LLP
Chartered Accountants
Statutory Auditors
First Floor, Winston House
349 Regents Park Road
London
N3 1DH

RACHEL CHARITABLE TRUST
Contents of the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2024

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 4
Report of the Independent Auditors	5 to 8
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13 to 24

RACHEL CHARITABLE TRUST

**Reference and Administrative Details
FOR THE YEAR ENDED 30 JUNE 2024**

TRUSTEES	L Noe S D Noe S Kanter S M Noe A Karsberg (appointed 22.1.24)
CHARITY SECRETARY	R Chalk
PRINCIPAL ADDRESS	2nd Floor, The Hide 3 Kingly Court London W1B 5PW
REGISTERED CHARITY NUMBER	276441 (England and Wales)
AUDITORS	Melinek Fine LLP Chartered Accountants Statutory Auditors First Floor, Winston House 349 Regents Park Road London N3 1DH
SOLICITORS	Fladgate LLP 16 Great Queen Street London WC2B 5DG
BANKERS	Metro Bank 1 Southampton Row London WC1B 5HA

RACHEL CHARITABLE TRUST

Report of the Trustees FOR THE YEAR ENDED 30 JUNE 2024

The trustees present their report with the financial statements of the charity for the year ended 30 June 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity was established for general charitable purpose and in particular for the relief of poverty and the advancement of religion and religious education.

Aims, Objectives and Activities for Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The trustees identify institutions and organisations which meet its above charitable objects and regularly support a number of these institutions and organisations, not only in England but also worldwide. In doing so the charity has complied with its duty to act for the public benefit in accordance with Section 4 of the Charities Act 2006.

The organisations and institutions which are regularly supported by Rachel Charitable Trust are growing and thus there is a continual call for support.

Grantmaking

The Charity makes Grants and Donations to Colleges and Institutions for the advancement of religion and education and to Institutions for the relief of poverty in accordance with the Charity's objectives. The recipient Institutions are based both in the United Kingdom and abroad.

In making Grants and Donations, the Trustees use their personal knowledge of the Institution, its representatives, operational efficiency and reputation. The Trustees monitor the application of the Grants and Donations by meeting with representatives of the Institutions and obtaining information as to the utilisation of funds.

All applications for grants are reviewed by the trustees and considered for approval at trustees' meetings.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The main areas of charitable activity are the provision of financial support to organisations engaging in religious education, advancement of religion and philanthropic aid to the needy. Charitable distributions were funded from current year incoming resources. During the year, £2,318,752 (2023:£3,571,329) was made in furtherance of the charity's objectives. Over 70 institutions and organisation were the recipients of the above donations.

FINANCIAL REVIEW

Financial position

The charity is dependent on income from investments and voluntary donations.

Movement in investment properties during the year was an increase of £11,073,000.

Investment income in the year was £2,759,549 (2023:£3,966,015) and voluntary donation income in the year was £5,577,939 (2023:£643,916).

Expenditure before charitable donations for the year was £1,452,518 (2023:£1,099,228). Charitable donations in the year was £2,318,752 (2023:£3,571,329).

Net income before gains and losses on investments in the year was a surplus of £4,566,218 (2023:£60,626 deficit). Loss on revaluation of investment properties in the year was £2,784,431 (2023:£1,042,448).

RACHEL CHARITABLE TRUST

Report of the Trustees FOR THE YEAR ENDED 30 JUNE 2024

FINANCIAL REVIEW

Investment policy and objectives

In accordance with the trust deed, the charity has the power to make any investments which the trustees consider appropriate. The Trustees seek investments which, over a medium term, are anticipated to generate a dependable flow of income coupled with capital growth. The trustees regularly review the charity's position and needs in respect of the investment policy.

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory incoming resources.

Investment

The Charity's investment properties are included in the Balance Sheet at fair value, as fully disclosed in Note 16 to the Financial Statements. An independent professional revaluation of all the investment properties was carried out by RICS Registered Valuers. The valuation figures are based on open market value assessed in accordance with the RICS Valuation - Current Global Standards (incorporating the International Valuation Standards).

Reserves policy

The Charity is required to maintain Reserves in order to ensure that it is in a position to continue its grant-making activities and cover contingencies of additional calls being made upon the Charity for support of organisations or institutions in times of need.

Consequently, the Trustees consider it appropriate to maintain 'Free Reserves' at a level which will not impinge on its ability to support Charitable Institutions.

At 30 June 2024, the charity has total funds of £27,299,038. These funds include £2,747,001 deficit which arises from the revaluation of the Charity's investments. Consequently, the Charity has reserves of £27,269,038 after making allowances for reserves not readily available. These reserves include the Free Reserves of the Charity and are considered to be adequate and will be reviewed periodically by the Trustees.

The trustees have reviewed the cashflow projections of the charity and given the projected flow of rental and other income the charity has sufficient cash to meet its commitments as they fall due.

Key Performance Indicators (KPIs)

The Trustees monitor the Charity's performance progress against its strategic objectives and the financial performance of its operations on a regular basis. Performance is assessed against the strategy and expectations using financial and non-financial measures. The most significant KPIs used by the Charity are as follows:

	2024	2023
Grants and donations paid out	£2.3million	£3.6million
Net rental income	£1.1million	£1million
Dividend income	£0.1million	£1.9million
Investment property at fair value	£46.5million	£35.4million

FUTURE PLANS

The charity's strategy is to manage its investments over the long term to produce a sustainable income stream to fund future grant-making activity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is governed by a Trust Deed dated 9 July 1978 as amended by Deed dated 27 October 1998, as amended by Deeds dated 30 April 2001.

Recruitment and appointment of new trustees

The organisation is run by the trustees who do not receive any remuneration in their capacity as trustees.

The statutory power of appointing new trustees or a new trustee is exercisable by the trustees during their joint lives and thereafter by the survivor of them.

New Trustees are inducted into the workings of the Charity by the existing Trustees.

RACHEL CHARITABLE TRUST
Report of the Trustees
FOR THE YEAR ENDED 30 JUNE 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have identified and reviewed the major risks to which the Trust is exposed, in particular those related to the operations and finance of the Trust, and are satisfied that systems are in place to mitigate those risks.

Financial Risk management and policies

The charity holds or issues financial instruments in order to achieve three main objectives being:

- a) to finance its operations;
- b) to manage its exposure to interest and currency risks arising from operations and from its sources of finance; and
- c) for generating funds.

In addition various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the charity's operations.

Credit risks

The charity monitors credit risk closely and considers that its current policies of credit risk checks meets its objectives of managing exposure to credit risk.

The charity has no significant concentrations of credit risks. Amounts shown in the balance sheet represent the maximum credit exposure in the event other parties fail to perform their obligations under the financial instruments including charitable loans that are made in the furtherance of charitable objectives.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 24/03/2025 and signed on its behalf by:

.....
L Noe - Trustee

Report of the Independent Auditors to the Trustees of Rachel Charitable Trust

Opinion

We have audited the financial statements of Rachel Charitable Trust (the 'charity') for the year ended 30 June 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Report of the Independent Auditors to the Trustees of
Rachel Charitable Trust**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees of Rachel Charitable Trust

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our: general commercial and sector experience; through verbal and written communications with trustees and other management; and via inspection of the charity's regulatory and legal correspondence.

We discussed with those charged with trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations to our team and remained alert to any indicators of non-compliance throughout the audit, we also specifically considered where and how fraud may occur within the charity.

The potential effect of these laws and regulations on the financial statements varies considerably.

-Firstly, the charity is subject to laws and regulations that directly affect the financial statements, including: the charity's constitution, relevant financial reporting standards; charity law; tax legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, for instance through the imposition of fines and penalties, or through losses arising from litigation.

We identified the following areas as those most likely to have such an affect: tenants and landlord acts; health and safety legislation; data protection legislation; anti-bribery and corruption legislation.

International Standards on Auditing (UK) limit the required procedures to identify non-compliance with these laws and regulations, and no procedures over and above those already noted are required. These limited procedures did not identify any actual or suspected non-compliance with laws and regulations that could have a material impact on the financial statements.

In relation to fraud, we performed the following specific procedures in addition to those already noted:

-Challenging assumptions made by management in its significant accounting estimates.

-Identifying and testing journal entries during the period and post balance sheet date, in particular any entries posted with unusual nominal ledger account combinations, journal entries crediting cash or any revenue account, journal entries posted by senior management.

-Performing analytical procedures to identify unexpected movements in account balances which may be indicative of fraud;

-Ensuring that testing undertaken on both the statement of financial activities and the Balance Sheet includes a number of items selected on a random basis.

These procedures did not identify any actual or suspected fraudulent irregularity that could have a material impact on the financial statements.

**Report of the Independent Auditors to the Trustees of
Rachel Charitable Trust**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with International Auditing Standards (UK). For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the procedures that we are required to undertake would identify it. In addition, as with any audit, there remains a high risk of non-detection of irregularities, as these might involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls. We are not responsible for preventing non-compliance with laws and regulations or fraud, and cannot be expected to detect non-compliance with all laws and regulations or every incidence of fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Melinek Fine LLP

Melinek Fine LLP
Chartered Accountants
Statutory Auditors
First Floor, Winston House
349 Regents Park Road
London
N3 1DH

Date:25/2/2025.....

RACHEL CHARITABLE TRUST
Statement of Financial Activities
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 Unrestricted fund £	2023 Total funds £
INCOME FROM			
Donations	3	5,577,939	643,916
Investment income	4	<u>2,759,549</u>	<u>3,966,015</u>
Total		<u>8,337,488</u>	<u>4,609,931</u>
EXPENDITURE ON			
Raising funds	5	1,440,518	1,087,228
Charitable activities	6		
Education and training		1,050,954	1,430,772
The advancement of health		78,425	1,150,880
The prevention and relief of poverty		242,664	499,196
Religious activities		221,029	222,986
Other charitable purposes		725,680	267,495
Other		<u>12,000</u>	<u>12,000</u>
Total		<u>3,771,270</u>	<u>4,670,557</u>
Net gains/(losses) on investments		<u>(2,784,431)</u>	<u>(1,097,297)</u>
NET INCOME/(EXPENDITURE)		1,781,787	(1,157,923)
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>25,517,251</u>	<u>26,675,174</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>27,299,038</u></u>	<u><u>25,517,251</u></u>

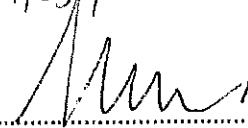
The notes form part of these financial statements

RACHEL CHARITABLE TRUST

**Balance Sheet
30 JUNE 2024**

	Notes	2024 Unrestricted fund £	2023 Total funds as restated £
FIXED ASSETS			
Tangible assets	14	30,000	30,000
Investments			
Investments	15	1	1
Investment property	16	<u>46,500,000</u>	<u>35,427,000</u>
		46,530,001	35,457,001
CURRENT ASSETS			
Debtors	17	1,346,373	1,172,572
Investments	18	1,995,000	2,060,000
Cash at bank		<u>1,276,192</u>	<u>4,437,269</u>
		4,617,565	7,669,841
CREDITORS			
Amounts falling due within one year	19	(2,558,959)	(2,955,504)
NET CURRENT ASSETS			
		<u>2,058,606</u>	<u>4,714,337</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		48,588,607	40,171,338
CREDITORS			
Amounts falling due after more than one year	20	(21,289,569)	(14,654,087)
NET ASSETS			
		<u>27,299,038</u>	<u>25,517,251</u>
FUNDS			
Unrestricted funds	23	<u>27,299,038</u>	<u>25,517,251</u>
TOTAL FUNDS			
		<u>27,299,038</u>	<u>25,517,251</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24/03/2025 and were signed on its behalf by:


.....
L Noe - Trustee

The notes form part of these financial statements

RACHEL CHARITABLE TRUST
Cash Flow Statement
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 £	2023 as restated £
Cash flows from operating activities			
Cash generated from operations	1	<u>4,295,582</u>	<u>(2,160,290)</u>
Net cash provided by/(used in) operating activities		<u>4,295,582</u>	<u>(2,160,290)</u>
Cash flows from investing activities			
Purchase of investment property		(13,857,431)	(109,448)
Sale of fixed asset investments		-	2,774,986
Sale of investment property		-	3,850,000
Interest received		114,403	20,234
Dividends received		<u>98,500</u>	<u>1,862,207</u>
Net cash (used in)/provided by investing activities		<u>(13,644,528)</u>	<u>8,397,979</u>
Cash flows from financing activities			
Proceeds from borrowings		7,412,842	-
Loan repayments in year		(400,000)	(1,791,233)
Interest paid		<u>(824,973)</u>	<u>(622,290)</u>
Net cash provided by/(used in) financing activities		<u>6,187,869</u>	<u>(2,413,523)</u>
Change in cash and cash equivalents in the reporting period			
		(3,161,077)	3,824,166
Cash and cash equivalents at the beginning of the reporting period		<u>4,437,269</u>	<u>613,103</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,276,192</u></u>	<u><u>4,437,269</u></u>

The notes form part of these financial statements

RACHEL CHARITABLE TRUST

**Notes to the Cash Flow Statement
FOR THE YEAR ENDED 30 JUNE 2024**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023 as restated
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	1,781,787	(1,157,923)
Adjustments for:		
Losses on investments	2,784,431	1,097,297
Interest received	(114,403)	(20,234)
Dividends received	(98,500)	(1,862,207)
Interest payable	824,973	622,290
Increase in debtors	(108,801)	(1,498,591)
(Decrease)/increase in creditors	<u>(773,905)</u>	<u>659,078</u>
Net cash provided by/(used in) operations	<u><u>4,295,582</u></u>	<u><u>(2,160,290)</u></u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.7.23	Cash flow	At 30.6.24
	£	£	£
Net cash			
Cash at bank	<u>4,437,269</u>	<u>(3,161,077)</u>	<u>1,276,192</u>
	<u>4,437,269</u>	<u>(3,161,077)</u>	<u>1,276,192</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>2,060,000</u>	<u>(65,000)</u>	<u>1,995,000</u>
	<u>2,060,000</u>	<u>(65,000)</u>	<u>1,995,000</u>
Debt			
Debts falling due within 1 year	(400,000)	-	(400,000)
Debts falling due after 1 year	<u>(13,619,477)</u>	<u>(7,012,842)</u>	<u>(20,632,319)</u>
	<u>(14,019,477)</u>	<u>(7,012,842)</u>	<u>(21,032,319)</u>
Total	<u><u>(7,522,208)</u></u>	<u><u>(10,238,919)</u></u>	<u><u>(17,761,127)</u></u>

RACHEL CHARITABLE TRUST

Notes to the Financial Statements FOR THE YEAR ENDED 30 JUNE 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charitable trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

As part of the trustees' assessment of going concern, the trustees have reviewed the cash flow projections of the charity. In light of the projected flow of rental income and the current and future committed support from the charity's lender, it is the opinion of the trustees, that the charity has sufficient cash to meet its commitments as they fall due.

Future assumption continues to be that the income will continue from the charity's investments, and the risks are subject to ensuring that lessees continue to be suitable for letting to tenants.

Income

All income is recognised in the income and expenditure when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations is accounted for only when received.
- rental income is recognised on the basis of rental agreement.
- interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities

Grants payable are charged to the income and expenditure once the charity has made a commitment to pay the grant and this has been communicated to the beneficiary or the grant has been paid, whichever is earlier.

RACHEL CHARITABLE TRUST

Notes to the Financial Statements - continued FOR THE YEAR ENDED 30 JUNE 2024

1. ACCOUNTING POLICIES - continued

Charitable activities

Charitable commitments are provided for in the financial statements if there is a legal or constructive obligation at the year end.

Charitable commitments are derecognised when the charity's contractual obligations are discharged or cancelled.

Governance costs

Governance costs include the cost of the preparation and audit of the financial statements and the cost of any legal advice to the trustees on governance or constitutional matters.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Properties donated to the charity are included at fair value at the date of acquisition. No depreciation is charged on property interest in land.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost. Subsequent to initial recognition:

Investment properties are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the income and expenditure in the period that they arise.

Investment property fair value is based on a valuation by an external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and class of property being valued. Any gain or loss arising from a change in fair value is recognised in the income and expenditure.

Acquisitions and disposals are considered to have taken place at the date of exchange and are included in the financial statements accordingly.

Taxation

The charity is exempt from tax on its charitable activities. The charity is not liable to direct taxation on its income which falls within the various exemptions available to registered charities. As a result no deferred tax is provided on timing differences. The charity is registered for Value Added Tax (VAT) in respect of its investment properties and therefore is able to reclaim any input tax it suffers on its property expenses and purchases. Expenditure in the accounts other than on investment property is therefore shown inclusive of VAT where appropriate.

Fund accounting

The Charity currently only has unrestricted funds.

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees to further any of the charity's purposes. This represents the accumulated surplus on income and expenditure account and the excess of fair value over the cost of investments.

RACHEL CHARITABLE TRUST

Notes to the Financial Statements - continued FOR THE YEAR ENDED 30 JUNE 2024

1. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments are subsequently measured at fair value, with any changes recognised in income and expenditure.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Investment properties

The valuation of the Charity's investment property portfolio is inherently subjective, depending on many factors, including the individual nature of each property, its location and expected future net rental values, market yields and comparable market transactions. Therefore the valuations are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions. All the Charity's investment properties are valued by external valuers with appropriate qualifications and experience.

Investments

The Charity makes an estimate of the fair value of unlisted investments. When assessing fair value of such investments, management considers factors including the current net assets and profitability of the investment. Therefore, the valuation is subjective to a degree of uncertainty and is made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions.

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2024**

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - continued

Debtors

Debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment. The estimation of impairments is such that actual outcomes could differ significantly from those estimates.

3. DONATIONS

	2024	2023
	£	£
Donations	<u>5,577,939</u>	<u>643,916</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Rents received	2,546,646	2,083,574
Fixed asset investments	98,500	1,862,207
Deposit account interest	<u>114,403</u>	<u>20,234</u>
	<u>2,759,549</u>	<u>3,966,015</u>

5. RAISING FUNDS

Investment management costs

	2024	2023
	£	£
Management costs	70,194	47,263
Property repairs & maintenance costs	49,465	48,223
Rates & insurance	73,803	81,754
Legal & professional fees	268,520	269,833
Other portfolio management cost	33,943	30,593
Interest payable & bank charges	824,973	622,290
Provision for bad debts	<u>119,620</u>	<u>(12,728)</u>
	<u>1,440,518</u>	<u>1,087,228</u>

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2024**

6. CHARITABLE ACTIVITIES COSTS

The total grants made to institutions during the year was as follows:

	2024	2023
	£	£
Great Ormond Street Children's Hospital	-	1,000,050
The Kemach Foundation	329,476	690,405
Other donations less than £250,000	<u>1,989,276</u>	<u>1,880,874</u>
	<u>2,318,752</u>	<u>3,571,329</u>

7. GRANTS PAYABLE

	2024	2023
	£	£
Education and training	1,050,954	1,430,772
The advancement of health	78,425	1,150,880
The prevention and relief of poverty	242,664	499,196
Religious activities	221,029	222,986
Other charitable purposes	<u>725,680</u>	<u>267,495</u>
	<u>2,318,752</u>	<u>3,571,329</u>

All donations were made to charitable institutions whose objects are in line with the objects of the charity.

8. SUPPORT COSTS

		Governance costs
		£
Other resources expended		<u>12,000</u>

9. AUDITORS' REMUNERATION

	2024	2023
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>9,500</u>	<u>9,500</u>
Other non-audit services	<u>2,500</u>	<u>2,500</u>
Total fees payable	<u>12,000</u>	<u>12,000</u>

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2024**

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2024 nor for the year ended 30 June 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2024 nor for the year ended 30 June 2023.

11. STAFF COSTS

There were no staff costs for the year ended 30 June 2024 nor for the year ended 30 June 2023.

The average monthly number of employees during the year was 0 (2023:0).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund
	£
INCOME FROM	
Donations	643,916
Investment income	<u>3,966,015</u>
Total	<u>4,609,931</u>
EXPENDITURE ON	
Raising funds	1,087,228
Charitable activities	
Education and training	1,430,772
The advancement of health	1,150,880
The prevention and relief of poverty	499,196
Religious activities	222,986
Other charitable purposes	267,495
Other	<u>12,000</u>
Total	<u>4,670,557</u>
Net gains/(losses) on investments	<u>(1,097,297)</u>
NET INCOME/(EXPENDITURE)	(1,157,923)
RECONCILIATION OF FUNDS	
Total funds brought forward	<u>26,675,174</u>
TOTAL FUNDS CARRIED FORWARD	<u>25,517,251</u>

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2024**

13. PRIOR YEAR ADJUSTMENT

The charity has previously treated the arrangement fees for mortgages as prepayments and released them on a straight-line basis over the terms of the mortgages. FRS 102 Section 11 requires that loans are initially recognised net of the transaction costs (arrangement fees), and then on an amortised cost basis. The trustees have reviewed the historic treatment and do not consider that it results in a material error regarding the amount of interest that has been historically recognised, nor the carrying value of loan once the prepayment and the loan balance are netted off. The prior year adjustment has resulted in a presentation adjustment which has resulted in both debtors and creditors in the comparative figures been reduced by £243,161, it has also resulted in this year's debtors and creditors being netted down by £330,319.

14. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 July 2023 and 30 June 2024	<u>30,000</u>
NET BOOK VALUE	
At 30 June 2024	<u>30,000</u>
At 30 June 2023	<u>30,000</u>

The property is held for use by Charity and is stated at historical cost.

15. FIXED ASSET INVESTMENTS

	Unlisted investments £
VALUATION	
At 1 July 2023 and 30 June 2024	<u>1</u>
VALUATION	
At 30 June 2024	<u>1</u>
At 30 June 2023	<u>1</u>

There were no investment assets outside the UK.

Fixed asset investments comprise share in F&C REIT Club Deals 5 LP valued by the Trustees at their fair value based on the underlying value of assets less liabilities.

16. INVESTMENT PROPERTY

	£
VALUATION	
At 1 July 2023	35,427,000
Additions	13,857,431
Revaluation	<u>(2,784,431)</u>
At 30 June 2024	<u>46,500,000</u>
VALUATION	
At 30 June 2024	<u>46,500,000</u>
At 30 June 2023	<u>35,427,000</u>

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2024**

16. INVESTMENT PROPERTY - continued

Fair value at 30 June 2024 is represented by:

	£
Valuation in 2019	(1,537,576)
Valuation in 2020	141,127
Valuation in 2021	(93,000)
Valuation in 2022	4,126,780
Valuation in 2023	(1,042,448)
Valuation in 2024	(2,784,431)
Cost	<u>47,689,548</u>
	<u>46,500,000</u>

All Investment properties are stated at fair value as at 30 June 2024.

An independent professional revaluation of all the Charity's investment properties was carried out in the year ended 30 June 2024 by RICS Registered Valuers. The valuation figures are based on open market value assessed in accordance with the RICS Valuation - Current Global Standards (incorporating the International Valuation Standards).

The historical cost of the Charity's Investment Properties at 30 June 2024 is £47,689,548 (2023:£33,832,117).

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023 as restated
	£	£
Trade debtors	159,622	124,134
Other debtors	<u>1,186,751</u>	<u>1,048,438</u>
	<u>1,346,373</u>	<u>1,172,572</u>

Included in other debtors is an amount of £nil (2023:£57,049) owed by a charity with common trustees.

18. CURRENT ASSET INVESTMENTS

	2024	2023
	£	£
Other investments	<u>1,995,000</u>	<u>2,060,000</u>

Other current assets investments comprises shares in Quay LP (Edinburgh) which are short-term in nature and are held for short-term gains.

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2024**

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023 as restated
	£	£
Bank loans and overdrafts (see note 21)	400,000	400,000
Trade creditors	32,328	19,266
Taxation and social security	-	67,685
Other creditors	<u>2,126,631</u>	<u>2,468,553</u>
	<u>2,558,959</u>	<u>2,955,504</u>

Other creditors include charitable commitments of £1,271,823 (2023:£1,709,987) pledged to be paid within one year.

Included in charitable commitments of £1,271,823 payable within one year are £160,600 (2023:£449,356) payable to charities with common trustees.

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023 as restated
	£	£
Bank loans (see note 21)	20,632,319	13,619,477
Other creditors	<u>657,250</u>	<u>1,034,610</u>
	<u>21,289,569</u>	<u>14,654,087</u>

Other creditors include charitable commitments of £657,250 (2023:£1,034,610) pledged to be paid after more than one year.

21. LOANS

An analysis of the maturity of loans is given below:

	2024	2023 as restated
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>400,000</u>	<u>400,000</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments:		
Bank loans more 5 yrs non-instalment	<u>20,632,319</u>	<u>13,619,477</u>

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2024**

22. SECURED DEBTS

The following secured debts are included within creditors:

	2024	2023 as restated
	£	£
Bank loans	<u>21,032,319</u>	<u>14,019,477</u>

Bank loans are secured by charges over the Charity's investment properties and bear interest at variable rates.

23. MOVEMENT IN FUNDS

	At 1.7.23 £	Net movement in funds £	At 30.6.24 £
Unrestricted funds			
General fund	25,517,251	1,781,787	27,299,038
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>25,517,251</u>	<u>1,781,787</u>	<u>27,299,038</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	8,337,488	(3,771,270)	(2,784,431)	1,781,787
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>8,337,488</u>	<u>(3,771,270)</u>	<u>(2,784,431)</u>	<u>1,781,787</u>

Comparatives for movement in funds

	At 1.7.22 £	Net movement in funds £	At 30.6.23 £
Unrestricted funds			
General fund	26,675,174	(1,157,923)	25,517,251
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>26,675,174</u>	<u>(1,157,923)</u>	<u>25,517,251</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,609,931	(4,670,557)	(1,097,297)	(1,157,923)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>4,609,931</u>	<u>(4,670,557)</u>	<u>(1,097,297)</u>	<u>(1,157,923)</u>

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2024**

24. RELATED PARTY DISCLOSURES

During the year the charity was charged £133,238 (2023: £70,504) for legal services charged by Fladgate LLP, a firm in which Mr S Kanter, trustee of the charity, is a partner. The partnership provided their services at a discounted charitable rate. The details are as follows:

	2024	2023
	£	£
Investment Management Costs	29,569	60,879
Property sale/purchase	103,669	9,625
	<u>133,238</u>	<u>70,504</u>

During the year, the charity paid grants to charitable organisations that have some trustees in common with Rachel Charitable Trust as follows:

	2024	2023
	£	£
The Kemach Foundation	726,375	707,062
Kemach Kidum Miktzoe Charedi	66,610	141,413
Kisharon	69,695	-
The Center for Social Justice	34,950	30,000
Kanter Jules Charitable Trust	1,500	-
United Jewish Israel Appeal	105,500	-
London School of Jewish Studies	7,900	8,200
	<u>1,012,530</u>	<u>886,675</u>

During the year, the trustee, Mr L Noe was repaid £nil (2023:£65,000) of his loan to the charity, further to which he donated £nil(2023:£66,300) to the charity. At the year end amounts owing to the trustee was £5,000 (2023:£5,000).

Included in Donations and Legacies income in the year are £4m (2023: £nil) received from an organisation related to the charity trustees.

25. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2024	2023
	£	£
Financial assets measured at amortised cost		
Financial assets measured at amortised cost	<u>2,514,547</u>	<u>5,609,842</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>23,257,062</u>	<u>17,068,585</u>

Financial assets measured at amortised cost are comprised of trade, other debtors and cash at bank.

Financial liabilities measured at amortised cost are comprised of trade creditors, other creditors and loans.

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2024**

26. OPERATING LEASE COMMITMENTS

As Lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:
There are no contingent rents.

	2024	2023
	£	£
Not later than 1 year	2,434,453	1,633,413
Later than 1 year and not later than 5 years	6,706,403	3,834,101
Later than 5 years	2,492,543	1,361,590
	<u>11,633,399</u>	<u>6,829,104</u>

The Charity has also entered into a number of non-cancellable operating leases as lessor for which the total future minimum lease payments are £5,430,962.

Lease income have not been discounted or adjusted for future increases.

RACHEL CHARITABLE TRUST

England & Wales - Charity number 276441

Accounts

**Report of the Trustees and
Financial Statements
for the Year Ended 30 June 2023
for
RACHEL CHARITABLE TRUST**

Mellnek Fine LLP
Chartered Accountants
Statutory Auditors
First Floor, Winston House
349 Regents Park Road
London
N3 1DH

RACHEL CHARITABLE TRUST

**Contents of the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2023**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 4
Report of the Independent Auditors	5 to 7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12 to 22

RACHEL CHARITABLE TRUST

**Reference and Administrative Details
FOR THE YEAR ENDED 30 JUNE 2023**

TRUSTEES	L Noe S D Noe S Kanter S M Noe A Karsberg (appointed 22.1.24)
CHARITY SECRETARY	R Chalk
PRINCIPAL ADDRESS	30 Market Place London W1W 8AP
REGISTERED CHARITY NUMBER	276441
AUDITORS	Melinek Fine LLP Chartered Accountants Statutory Auditors First Floor, Winston House 349 Regents Park Road London N3 1DH
SOLICITORS	Fladgate LLP 16 Great Queen Street London WC2B 5DG
BANKERS	Metro Bank 1 Southampton Row London WC1B 5HA

RACHEL CHARITABLE TRUST
Report of the Trustees
FOR THE YEAR ENDED 30 JUNE 2023

The trustees present their report with the financial statements of the charity for the year ended 30 June 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity was established for general charitable purpose and in particular for the relief of poverty and the advancement of religion and religious education.

Aims, Objectives and Activities for Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The trustees identify institutions and organisations which meet its above charitable objects and regularly support a number of these institutions and organisations, not only in England but also worldwide. In doing so the charity has complied with its duty to act for the public benefit in accordance with Section 4 of the Charities Act 2006.

The organisations and institutions which are regularly supported by Rachel Charitable Trust are growing and thus there is a continual call for support.

Grantmaking

The charity accepts applications for grants from representatives of various charities, which are reviewed by the trustees on a regular basis.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The main areas of charitable activity are the provision of financial support to organisations engaging in religious education, advancement of religion and philanthropic aid to the needy. Charitable distributions were funded from current year incoming resources. During the year, £3,571,329 (2022:£2,704,152) was made in furtherance of the charity's objectives. Over 60 institutions and organisations were the recipients of the above donations.

FINANCIAL REVIEW

Financial position

The charity is dependent on income from investments and voluntary donations.

Investment income in the year was £3,966,015 (2022:£2,049,559) and voluntary donation income in the year was £643,916 (2022:£3,803,561).

Expenditure before charitable donations for the year was £1,099,228 (2022:£1,083,125). Charitable donations in the year was £3,571,329 (2022:£2,704,152).

Net income before gains and losses on investments in the year was a deficit of £60,626 (2022:£2,065,843 surplus). Loss on revaluation of investments in the year was £1,042,448 (2022:£4,127,247 gains).

Investment policy and objectives

In accordance with the trust deed, the charity has the power to make any investments which the trustees see fit. The trustees regularly review the charity's position and needs in respect of the investment policy.

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory incoming resources.

Land and buildings

The charity's investment properties have been valued by the charity's property advisers, and are stated at open market value.

RACHEL CHARITABLE TRUST

Report of the Trustees FOR THE YEAR ENDED 30 JUNE 2023

FINANCIAL REVIEW

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which the trustees consider is appropriate after considering the future commitments of the charity and the likely administrative costs of the charity for the next year.

At the year end the charity had unrestricted funds totalling £25,517,251 (2022:£26,675,174).

The trustees have reviewed the cashflow projections of the charity and given the projected flow of rental and other income the charity has sufficient cash to meet its commitments as they fall due.

FUTURE PLANS

The charity's strategy is to manage its investments over the long term to produce a sustainable income stream to fund future grant-making activity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is governed by a Trust Deed dated 9 July 1978

Recruitment and appointment of new trustees

The organisation is run by the trustees who do not receive any remuneration in their capacity as trustees.

The statutory power of appointing new trustees or a new trustee is exercisable by the trustees during their joint lives and thereafter by the survivor of them.

Risk management

The trustees have identified and reviewed the major risks to which the Trust is exposed, in particular those related to the operations and finance of the Trust, and are satisfied that systems are in place to mitigate those risks.

Financial Risk management and policies

The charity holds or issues financial instruments in order to achieve three main objectives being:

- a) to finance its operations.
- b) to manage its exposure to interest and currency risks arising from operations and from its sources of finance; and
- c) for generating funds.

In addition various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the charity's operations.

Credit risks

The charity monitors credit risk closely and considers that its current policies of credit risk checks meet its objectives of managing exposure to credit risk.

The charity has no significant concentrations of credit risks. Amounts shown in the balance sheet represent the maximum credit exposure in the event other parties fail to perform their obligations under the financial instruments including charitable loans that are made in the furtherance of charitable objectives.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

RACHEL CHARITABLE TRUST
Report of the Trustees
FOR THE YEAR ENDED 30 JUNE 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 19/03/2024 and signed on its behalf by:

.....
L Noe - Trustee

**Report of the Independent Auditors to the Trustees of
Rachel Charitable Trust**

Opinion

We have audited the financial statements of Rachel Charitable Trust (the 'charity') for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of Rachel Charitable Trust

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the trustees and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related legislation) and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statements items.

With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the trustees and management.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

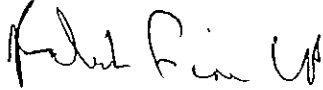
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
Rachel Charitable Trust**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Melinek Fine LLP
Chartered Accountants
Statutory Auditors
First Floor, Winston House
349 Regents Park Road
London
N3 1DH

Date:20/05/2024.....

RACHEL CHARITABLE TRUST

**Statement of Financial Activities
FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	2023 Unrestricted fund £	2022 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3	643,916	3,803,561
Investment income	4	3,966,015	2,049,559
Total		4,609,931	5,853,120
EXPENDITURE ON			
Raising funds	5	1,099,109	995,551
Charitable activities	6		
Education and training		1,430,772	1,470,909
The advancement of health		1,150,880	100,280
The prevention and relief of poverty		499,196	624,635
Religious activities		222,986	179,161
Other charitable purposes		267,495	329,167
Other		119	87,574
Total		4,670,557	3,787,277
Net gains/(losses) on investments		(1,097,297)	4,127,247
NET INCOME/(EXPENDITURE)		(1,157,923)	6,193,090
RECONCILIATION OF FUNDS			
Total funds brought forward		26,675,174	20,482,084
TOTAL FUNDS CARRIED FORWARD		25,517,251	26,675,174

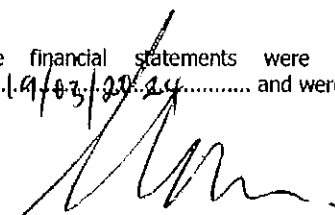
The notes form part of these financial statements

RACHEL CHARITABLE TRUST

**Balance Sheet
30 JUNE 2023**

	Notes	2023 Unrestricted fund £	2022 Total funds £
FIXED ASSETS			
Tangible assets	13	30,000	30,000
Investments			
Investments	14	1	2,829,836
Investment property	15	35,427,000	40,210,000
		<u>35,457,001</u>	<u>43,069,836</u>
CURRENT ASSETS			
Debtors	16	1,415,733	1,733,981
Investments	17	2,060,000	-
Cash at bank		4,437,269	613,103
		<u>7,913,002</u>	<u>2,347,084</u>
CREDITORS			
Amounts falling due within one year	18	(2,955,504)	(4,071,783)
NET CURRENT ASSETS			
		<u>4,957,498</u>	<u>(1,724,699)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		40,414,499	41,345,137
CREDITORS			
Amounts falling due after more than one year	19	(14,897,248)	(14,669,963)
NET ASSETS			
		<u>25,517,251</u>	<u>26,675,174</u>
FUNDS			
Unrestricted funds	22	25,517,251	26,675,174
TOTAL FUNDS			
		<u>25,517,251</u>	<u>26,675,174</u>

The financial statements were approved by the Board of Trustees and authorised for issue on ~~19/03/2024~~ and were signed on its behalf by:


.....
L Noe - Trustee

The notes form part of these financial statements

RACHEL CHARITABLE TRUST

Cash Flow Statement
FOR THE YEAR ENDED 30 JUNE 2023

Notes	2023 £	2022 £
Cash flows from operating activities		
Cash generated from operations	(2,403,451)	1,180,578
Net cash (used in)/provided by operating activities	<u>(2,403,451)</u>	<u>1,180,578</u>
Cash flows from investing activities		
Purchase of investment property	(109,448)	(4,508,220)
Sale of fixed asset investments	2,774,986	350,000
Sale of investment property	3,850,000	-
Interest received	20,234	2,025
Dividends received	1,862,207	-
Net cash provided by/(used in) investing activities	<u>8,397,979</u>	<u>(4,156,195)</u>
Cash flows from financing activities		
Proceeds from borrowings	-	2,496,493
Loan repayments in year	(1,548,072)	(548,724)
Interest paid	(622,290)	(542,968)
Net cash (used in)/provided by financing activities	<u>(2,170,362)</u>	<u>1,404,801</u>
Change in cash and cash equivalents in the reporting period	<u>3,824,166</u>	<u>(1,570,816)</u>
Cash and cash equivalents at the beginning of the reporting period	<u>613,103</u>	<u>2,183,919</u>
Cash and cash equivalents at the end of the reporting period	<u><u>4,437,269</u></u>	<u><u>613,103</u></u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
FOR THE YEAR ENDED 30 JUNE 2023**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(1,157,923)	6,193,090
Adjustments for:		
Losses/(gain) on investments	1,097,297	(4,127,247)
Interest received	(20,234)	(2,025)
Dividends received	(1,862,207)	-
Interest payable	622,290	542,968
(Increase)/decrease in debtors	(1,741,752)	319,805
Increase/(decrease) in creditors	659,078	(1,746,013)
Net cash (used in)/provided by operations	<u>(2,403,451)</u>	<u>1,180,578</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.7.22 £	Cash flow £	At 30.6.23 £
Net cash			
Cash at bank	613,103	3,824,166	4,437,269
	<u>613,103</u>	<u>3,824,166</u>	<u>4,437,269</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	-	2,060,000	2,060,000
	<u>-</u>	<u>2,060,000</u>	<u>2,060,000</u>
Debt			
Debts falling due within 1 year	(1,675,647)	1,275,647	(400,000)
Debts falling due after 1 year	(14,135,063)	272,425	(13,862,638)
	<u>(15,810,710)</u>	<u>1,548,072</u>	<u>(14,262,638)</u>
Total	<u>(15,197,607)</u>	<u>7,432,238</u>	<u>(7,765,369)</u>

RACHEL CHARITABLE TRUST

Notes to the Financial Statements FOR THE YEAR ENDED 30 JUNE 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charitable trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

As part of the trustees' assessment of going concern, the trustees have reviewed the cash flow projections of the charity. In light of the projected flow of rental income and the current and future committed support from the charity's lender, it is the opinion of the trustees, that the charity has sufficient cash to meet its commitments as they fall due.

Future assumption continues to be that the income will continue from the charity's investments, and the risks are subject to ensuring that lessees continue to be suitable for letting to tenants.

Income

All income is recognised in the Statement of Financial Activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations is accounted for only when received.

- Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities

Grants payable are charged to the statement of financial activities once the charity has made a commitment to pay the grant and this has been communicated to the beneficiary or the grant has been paid, whichever is earlier.

Charitable commitments are provided for in the financial statements if there is a legal or constructive obligation at the year end.

RACHEL CHARITABLE TRUST

Notes to the Financial Statements - continued FOR THE YEAR ENDED 30 JUNE 2023

1. ACCOUNTING POLICIES - continued

Charitable activities

Charitable commitments are derecognised when the charity's contractual obligations are discharged or cancelled.

Governance costs

Governance costs include the cost of the preparation and audit of the financial statements and the cost of any legal advice to the trustees on governance or constitutional matters.

Tangible fixed assets

This is the charity's property which is intended for functional use. This is stated at cost and is treated as such until it is expected that fair value will be reliably measurable on a going concern basis.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Investment property

All investment properties are stated at trustees' valuation, assisted by RICS qualified professionals.

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

Taxation

The charity is exempt from tax on its charitable activities. The charity is not liable to direct taxation on its income which falls within the various exemptions available to registered charities. As a result no deferred tax is provided on timing differences. The charity is registered for Value Added Tax (VAT) in respect of its investment properties and therefore is able to reclaim any input tax it suffers on its property expenses and purchases. Expenditure in the accounts other than on investment property is therefore shown inclusive of VAT where appropriate.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for a particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

RACHEL CHARITABLE TRUST

Notes to the Financial Statements - continued FOR THE YEAR ENDED 30 JUNE 2023

1. ACCOUNTING POLICIES - continued

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Investment properties

Investment properties are valued by the trustees with reference to current market rents and yields for similar properties, in addition to available information in respect of resale values and property specific factors such as location and condition of the property. Therefore the valuations are subject to a degree of uncertainty, particularly in periods of difficult market or economic conditions.

Investments

The company makes an estimate of the fair value of unlisted investments. When assessing fair value of such investments, management considers factors including the current net assets and profitability of the investment.

Debtors

Debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment. The estimation of impairments is such that actual outcomes could differ significantly from those estimates.

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2023**

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	643,916	3,803,561

4. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	2,083,574	2,047,534
Fixed asset investments	1,862,207	-
Deposit account interest	20,234	2,025
	3,966,015	2,049,559

5. RAISING FUNDS

Investment management costs

	2023	2022
	£	£
Management costs	47,263	58,414
Property repairs & Maintenance costs	48,223	42,109
Rates & Insurance	81,754	97,272
Legal & Professional fees	269,833	228,050
Other portfolio management cost	29,746	26,738
Interest payable & bank charge	622,290	542,968
	1,099,109	995,551

6. CHARITABLE ACTIVITIES COSTS

The total grants paid to institutions during the year was as follows:

	2023	2022
	£	£
Great Ormond Street Children's Hospital	1,000,050	-
The Kemach Foundation	690,405	686,055
Other donations less than £300,000	1,880,874	2,018,097
	3,571,329	2,704,152

7. GRANTS PAYABLE

	2023	2022
	£	£
Education and training	1,430,772	1,470,909
The advancement of health	1,150,880	100,280
The prevention and relief of poverty	499,196	624,635
Religious activities	222,986	179,161
Other charitable purposes	267,495	329,167
	3,571,329	2,704,152

All donations were made to charitable institutions whose objects are in line with the objects of the charity.

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2023**

8. SUPPORT COSTS

		Governance costs
Other resources expended		£ <u>12,847</u>

9. AUDITORS' REMUNERATION

	2023	2022
Fees payable to the charity's auditors for the audit of the charity's financial statements	£	£
	<u>12,847</u>	<u>9,435</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2023 nor for the year ended 30 June 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2023 nor for the year ended 30 June 2022.

11. STAFF COSTS

There were no staff costs for the year ended 30 June 2023 nor for the year ended 30 June 2022.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund
	£
INCOME AND ENDOWMENTS FROM	
Donations and legacies	3,803,561
Investment Income	<u>2,049,559</u>
Total	<u>5,853,120</u>
 EXPENDITURE ON	
Raising funds	995,551
Charitable activities	
Education and training	1,470,909
The advancement of health	100,280
The prevention and relief of poverty	624,635
Religious activities	179,161
Other charitable purposes	329,167
Other	<u>87,574</u>
Total	<u>3,787,277</u>
Net gains on investments	<u>4,127,247</u>
 NET INCOME	 <u>6,193,090</u>

RACHEL CHARITABLE TRUST

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2023

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
RECONCILIATION OF FUNDS	
Total funds brought forward	20,482,084
TOTAL FUNDS CARRIED FORWARD	<u>26,675,174</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 July 2022 and 30 June 2023	<u>30,000</u>
NET BOOK VALUE	
At 30 June 2023	<u>30,000</u>
At 30 June 2022	<u>30,000</u>

Tangible fixed assets are initially recorded at cost. This is the charity's property which is intended for functional use. This is stated at cost and is treated as such until it is expected that fair value will be reliably measurable on a going concern basis.

14. FIXED ASSET INVESTMENTS

	Listed Investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 July 2022	19,835	2,810,001	2,829,836
Disposals	(19,835)	(2,810,000)	(2,829,835)
At 30 June 2023	<u>-</u>	<u>1</u>	<u>1</u>
NET BOOK VALUE			
At 30 June 2023	<u>-</u>	<u>1</u>	<u>1</u>
At 30 June 2022	<u>19,835</u>	<u>2,810,001</u>	<u>2,829,836</u>

There were no Investment assets outside the UK.

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2023**

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 July 2022	40,210,000
Additions	109,448
Disposals	(3,850,000)
Revaluation	(1,042,448)
	35,427,000
NET BOOK VALUE	
At 30 June 2023	35,427,000
At 30 June 2022	40,210,000

Investment properties are stated at trustees' valuation, assisted by RICS qualified professionals at 30 June 2023. The trustees have extensive experience in the field of property investment and valuation accumulated over a considerable period of time. The valuation is based on the trustees' understanding of property market conditions and the specific properties concerned, using a sales valuation approach, derived from recent comparable transactions on the market, adjusted by discounts to reflect status of occupation and condition.

The historic cost of the freehold investment properties is £33,832,117 (2022:£37,572,669).

Fair value at 30 June 2023 is represented by:

	£
Valuation in 2019	(1,537,576)
Valuation in 2020	141,127
Valuation in 2021	(93,000)
Valuation in 2022	4,126,780
Valuation in 2023	(1,042,448)
Cost	33,832,117
	35,427,000

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	124,134	171,742
Other debtors	1,048,438	1,205,819
Prepayments and accrued income	243,161	356,420
	1,415,733	1,733,981

Included in other debtors is an amount of £57,049 (2022:£198,462) owed by a charity with common trustees.

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2023**

17. CURRENT ASSET INVESTMENTS

	2023	2022
	£	£
Other investments	2,060,000	-
	2,060,000	-

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 20)	400,000	1,675,647
Trade creditors	19,266	9,157
Taxation and social security	67,685	105,745
Other creditors	2,468,553	2,281,234
	2,955,504	4,071,783

Other creditors include charitable commitments of £1,709,987 (2022:£1,365,692) pledged to be paid within one year.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans (see note 20)	13,862,638	14,135,063
Other creditors	1,034,610	534,900
	14,897,248	14,669,963

Other creditors include charitable commitments of £1,034,610 (2022:£534,900) pledged to be paid after more than one year. Commitments are discounted to present values using the charity's cost of capital.

20. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	400,000	1,675,647
	400,000	1,675,647
Amounts falling due in more than five years:		
Repayable otherwise than by Instalments:		
Bank loans more 5 yrs non-Inst	13,862,638	14,135,063
	13,862,638	14,135,063

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2023**

21. SECURED DEBTS

The following secured debts are included within creditors:

	2023 £	2022 £
Bank loans	14,262,638	15,810,710

22. MOVEMENT IN FUNDS

	At 1.7.22 £	Net movement in funds £	At 30.6.23 £
Unrestricted funds			
General fund	26,675,174	(1,157,923)	25,517,251
TOTAL FUNDS	<u>26,675,174</u>	<u>(1,157,923)</u>	<u>25,517,251</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,609,931	(4,670,557)	(1,097,297)	(1,157,923)
TOTAL FUNDS	<u>4,609,931</u>	<u>(4,670,557)</u>	<u>(1,097,297)</u>	<u>(1,157,923)</u>

Comparatives for movement in funds

	At 1.7.21 £	Net movement in funds £	At 30.6.22 £
Unrestricted funds			
General fund	20,482,084	6,193,090	26,675,174
TOTAL FUNDS	<u>20,482,084</u>	<u>6,193,090</u>	<u>26,675,174</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	5,853,120	(3,787,277)	4,127,247	6,193,090
TOTAL FUNDS	<u>5,853,120</u>	<u>(3,787,277)</u>	<u>4,127,247</u>	<u>6,193,090</u>

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2023**

23. RELATED PARTY DISCLOSURES

During the year the charity paid £70,504 (2022: £66,863) for legal services charged by Fladgate LLP, a firm in which Mr S Kanter, trustee of the charity, is a partner. The partnership provided their services at a discounted charitable rate. The details are as follows:

	2023	2022
	£	£
Investment Management Costs	60,879	58,697
Property sale/purchase	9,625	-
Capitalised Finance Costs	-	8,166
	70,504	66,863
	70,504	66,863

During the year, the charity made grants to charitable organisations that have some trustees in common with Rachel Charitable Trust. In addition, at the year end there were commitments to these charities in relation to their ongoing projects.

	2023	2022
	£	£
The Kernach Foundation	690,405	686,055
Kemach Kidum Miktzoev Chareidi	141,413	126,930
The Jacob Foundation	25,000	50,000
London School of Jewish Studies	16,400	-
	873,218	862,985
	873,218	862,985

During the year, the trustee, Mr L Noe was repaid £65,000 (2022:£1,480,000) of his loan to the charity, further to which he donated £66,300(2022:£1,485,750) to the charity. At the year end amounts owing to the trustee was £5,000 (2022:£70,000).

24. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2023	2022
	£	£
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	35,457,001	43,039,836
	35,457,001	43,039,836
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	7,913,002	2,347,084
	7,913,002	2,347,084
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	17,852,752	18,741,746
	17,852,752	18,741,746

RACHEL CHARITABLE TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 30 JUNE 2023**

25. OPERATING LEASE COMMITMENTS

As Lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	1,633,413	1,700,347
Later than 1 year and not later than 5 years	3,834,101	4,072,568
Later than 5 years	1,361,590	1,928,100
	6,829,104	7,701,015

RACHEL CHARITABLE TRUST

England & Wales - Charity number 276441

Accounts

REGISTERED CHARITY NUMBER: 276441

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
FOR
RACHEL CHARITABLE TRUST**

Melinek Fine LLP
Chartered Accountants
Statutory Auditors
First Floor, Winston House
349 Regents Park Road
London
N3 1DH

RACHEL CHARITABLE TRUST
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 4
Report of the Independent Auditors	5 to 7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12 to 22

RACHEL CHARITABLE TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 30 JUNE 2022

TRUSTEES	L Noe S D Noe S Kanter S M Noe (appointed 31.1.22)
CHARITY SECRETARY	R Chalk
PRINCIPAL ADDRESS	30 Market Place London W1W 8AP
REGISTERED CHARITY NUMBER	276441
AUDITORS	Melinek Fine LLP Chartered Accountants Statutory Auditors First Floor, Winston House 349 Regents Park Road London N3 1DH
SOLICITORS	Fladgate LLP 16 Great Queen Street London WC2B 5DG
BANKERS	Metro Bank 1 Southampton Row London WC1B 5HA

RACHEL CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022

The trustees present their report with the financial statements of the charity for the year ended 30 June 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity was established for general charitable purpose and in particular for the relief of poverty and the advancement of religion and religious education.

Aims, Objectives and Activities for Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The trustees identify institutions and organisations which meet its above charitable objects and regularly support a number of these institutions and organisations, not only in England but also worldwide. In doing so the charity has complied with its duty to act for the public benefit in accordance with Section 4 of the Charities Act 2006.

The organisations and institutions which are regularly supported by Rachel Charitable Trust are growing and thus there is a continual call for support.

Grantmaking

The charity accepts applications for grants from representatives of various charities, which are reviewed by the trustees on a regular basis.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The main areas of charitable activity are the provision of financial support to organisations engaging in religious education, advancement of religion and philanthropic aid to the needy. Charitable distributions were funded from current year incoming resources. During the year, £2,704,152 (2021:£2,436,535) was distributed in furtherance of the charity's objectives. Over 60 institutions and organisations were the recipients of the above donations.

FINANCIAL REVIEW

Financial position

The charity is dependent on income from investments and voluntary donations.

Investment income in the year was £2,049,559 (2021:£2,074,620) and voluntary donation income in the year was £3,803,561 (2021:£3,605,000).

Expenditure before charitable donations for the year was £1,083,125 (2021:£1,149,203). Charitable donations in the year were £2,704,152 (2021:£2,436,535).

Net income before gains and losses on investments in the year was £2,065,843 (2021:£2,093,882). Gains from revaluation of investments in the year were £4,127,247 (2021:£452,399 loss).

Investment policy and objectives

In accordance with the trust deed, the charity has the power to make any investments which the trustees see fit. The trustees regularly review the charity's position and needs in respect of the investment policy.

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory incoming resources.

Land and buildings

The charity's investment properties have been valued by the charity's property advisers, and are stated at open market value.

RACHEL CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022

FINANCIAL REVIEW

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which the trustees consider is appropriate after considering the future commitments of the charity and the likely administrative costs of the charity for the next year.

At the year end the charity had unrestricted funds totalling £26,675,174 (2021:£20,482,084).

The trustees have reviewed the cashflow projections of the charity and given the projected flow of rental and other income the charity has sufficient cash to meet its commitments as they fall due.

FUTURE PLANS

The charity's strategy is to manage its investments over the long term to produce a sustainable income stream to fund future grant-making activity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is governed by a Trust Deed dated 9 July 1978

Recruitment and appointment of new trustees

The organisation is run by the trustees who do not receive any remuneration in their capacity as trustees.

The statutory power of appointing new trustees or a new trustee is exercisable by the trustees during their joint lives and thereafter by the survivor of them.

Risk management

The trustees have identified and reviewed the major risks to which the Trust is exposed, in particular those related to the operations and finance of the Trust, and are satisfied that systems are in place to mitigate those risks.

Financial Risk management and policies

The charity holds or issues financial instruments in order to achieve three main objectives being:

- a) to finance its operations.
- b) to manage its exposure to interest and currency risks arising from operations and from its sources of finance; and
- c) for generating funds.

In addition various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the charity's operations.

Credit risks

The charity monitors credit risk closely and considers that its current policies of credit risk checks meet its objectives of managing exposure to credit risk.

The charity has no significant concentrations of credit risks. Amounts shown in the balance sheet represent the maximum credit exposure in the event other parties fail to perform their obligations under the financial instruments including charitable loans that are made in the furtherance of charitable objectives.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

RACHEL CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022

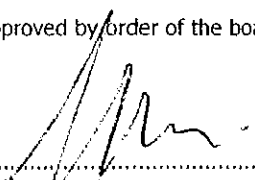
STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 30 March 2023 and signed on its behalf by:


.....
L. Nôe - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF RACHEL CHARITABLE TRUST

Opinion

We have audited the financial statements of Rachel Charitable Trust (the 'charity') for the year ended 30 June 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
RACHEL CHARITABLE TRUST**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the trustees and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related legislation) and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statements items.

With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the trustees and management.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
RACHEL CHARITABLE TRUST**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Melinek Fine W

Melinek Fine LLP
Chartered Accountants
Statutory Auditors
First Floor, Winston House
349 Regents Park Road
London
N3 1DH

Date: *30/3/2023*

RACHEL CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 Unrestricted fund £	2021 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3	3,803,561	3,605,000
Investment Income	4	<u>2,049,559</u>	<u>2,074,620</u>
Total		<u>5,853,120</u>	<u>5,679,620</u>
EXPENDITURE ON			
Raising funds	5	995,551	1,138,109
Charitable activities			
Education and training	6	1,470,909	1,051,030
The advancement of health		100,280	95,760
The prevention and relief of poverty		624,635	602,626
Religious activities		179,161	297,499
Other charitable purposes		329,167	389,620
Other		<u>87,574</u>	<u>11,094</u>
Total		<u>3,787,277</u>	<u>3,585,738</u>
Net gains/(losses) on investments		<u>4,127,247</u>	<u>(452,399)</u>
NET INCOME		6,193,090	1,641,483
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>20,482,084</u>	<u>18,840,601</u>
TOTAL FUNDS CARRIED FORWARD		<u>26,675,174</u>	<u>20,482,084</u>

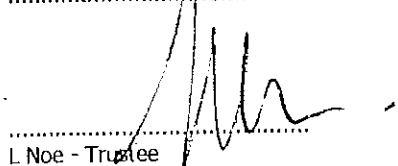
The notes form part of these financial statements

RACHEL CHARITABLE TRUST

BALANCE SHEET
30 JUNE 2022

	Notes	2022 Unrestricted fund £	2021 Total funds £
FIXED ASSETS			
Tangible assets	13	30,000	30,000
Investments			
Investments	14	2,829,836	3,179,369
Investment property	15	40,210,000	31,575,000
		43,069,836	34,784,369
CURRENT ASSETS			
Debtors	16	1,733,981	2,053,786
Cash at bank		613,103	2,183,919
		2,347,084	4,237,705
CREDITORS			
Amounts falling due within one year	17	(4,071,783)	(4,669,500)
NET CURRENT LIABILITIES		(1,724,699)	(431,795)
TOTAL ASSETS LESS CURRENT LIABILITIES		41,345,137	34,352,574
CREDITORS			
Amounts falling due after more than one year	18	(14,669,963)	(13,870,490)
NET ASSETS		26,675,174	20,482,084
FUNDS			
Unrestricted funds	21	26,675,174	20,482,084
TOTAL FUNDS		26,675,174	20,482,084

The financial statements were approved by the Board of Trustees and authorised for issue on 30 March 2023 and were signed on its behalf by:


L. Noe - Trustee

The notes form part of these financial statements

RACHEL CHARITABLE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,180,578</u>	<u>1,522,248</u>
Net cash provided by operating activities		<u>1,180,578</u>	<u>1,522,248</u>
Cash flows from investing activities			
Purchase of investment property		(4,508,220)	(93,000)
Sale of fixed asset investments		350,000	2,421,207
Interest received		<u>2,025</u>	<u>1,605</u>
Net cash (used in)/provided by investing activities		<u>(4,156,195)</u>	<u>2,329,812</u>
Cash flows from financing activities			
Proceeds from borrowings		2,496,493	-
Loan repayments in year		(548,724)	(1,969,553)
Interest paid		<u>(542,968)</u>	<u>(683,818)</u>
Net cash provided by/(used in) financing activities		<u>1,404,801</u>	<u>(2,653,371)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>2,183,919</u>	<u>985,230</u>
Cash and cash equivalents at the end of the reporting period		<u>613,103</u>	<u>2,183,919</u>

The notes form part of these financial statements

RACHEL CHARITABLE TRUST
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

1.	RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES		
	2022	2021	
	£	£	
Net income for the reporting period (as per the Statement of Financial Activities)	6,193,090	1,641,483	
Adjustments for:			
(Gain)/losses on investments	(4,127,247)	452,399	
Interest received	(2,025)	(1,605)	
Interest payable	542,968	683,818	
Decrease/(increase) in debtors	319,805	(1,156,951)	
Decrease in creditors	(1,746,013)	(96,896)	
Net cash provided by operations	<u>1,180,578</u>	<u>1,522,248</u>	
2.	ANALYSIS OF CHANGES IN NET DEBT		
	At 1.7.21	Cash flow	At 30.6.22
	£	£	£
Net cash			
Cash at bank	<u>2,183,919</u>	<u>(1,570,816)</u>	<u>613,103</u>
	<u>2,183,919</u>	<u>(1,570,816)</u>	<u>613,103</u>
Debt			
Debts falling due within 1 year	(529,701)	(1,145,946)	(1,675,647)
Debts falling due after 1 year	(13,333,240)	(801,823)	(14,135,063)
	(13,862,941)	(1,947,769)	(15,810,710)
Total	<u>(11,679,022)</u>	<u>(3,518,585)</u>	<u>(15,197,607)</u>

The notes form part of these financial statements

RACHEL CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going concern

As part of the trustees' assessment of going concern, the trustees have reviewed the cash flow projections of the charity. In light of the projected flow of rental income and the current and future committed support from the charity's lender, it is the opinion of the trustees, that the charity has sufficient cash to meet its commitments as they fall due.

Future assumption continues to be that the income will continue from the charity's investments, and the risks are subject to ensuring that lessees continue to be suitable for letting to tenants.

Income

All income is recognised in the Statement of Financial Activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations is accounted for only when received.
- interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities

Grants payable are charged to the statement of financial activities once the charity has made a commitment to pay the grant and this has been communicated to the beneficiary or the grant has been paid, whichever is earlier.

Charitable commitments are provided for in the financial statements if there is a legal or constructive obligation at the year end.

Charitable commitments are derecognised when the charity's contractual obligations are discharged or cancelled.

Governance costs

Governance costs include the cost of the preparation and audit of the financial statements and the cost of any legal advice to the trustees on governance or constitutional matters.

Tangible fixed assets

This is the charity's property which is intended for functional use. This is stated at cost and is treated as such until it is expected that fair value will be reliably measurable on a going concern basis.

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Investment property

All investment properties are stated at trustees' valuation, assisted by RICS qualified professionals.

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

Taxation

The charity is exempt from tax on its charitable activities. The charity is not liable to direct taxation on its income which falls within the various exemptions available to registered charities. As a result no deferred tax is provided on timing differences. The charity is registered for Value Added Tax (VAT) in respect of its investment properties and therefore is able to reclaim any input tax it suffers on its property expenses and purchases. Expenditure in the accounts other than on investment property is therefore shown inclusive of VAT where appropriate.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for a particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

1. ACCOUNTING POLICIES - continued

Financial instruments

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Investment properties

Investment properties are valued by the trustees with reference to current market rents and yields for similar properties, in addition to available information in respect of resale values and property specific factors such as location and condition of the property. Therefore the valuations are subject to a degree of uncertainty, particularly in periods of difficult market or economic conditions.

Investments

The company makes an estimate of the fair value of unlisted investments. When assessing fair value of such investments, management considers factors including the current net assets and profitability of the investment.

Debtors

Debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment. The estimation of impairments is such that actual outcomes could differ significantly from those estimates.

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	<u>3,803,561</u>	<u>3,605,000</u>

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

4.	INVESTMENT INCOME		
		2022	2021
		£	£
	Rents received	2,047,534	2,073,015
	Deposit account interest	<u>2,025</u>	<u>1,605</u>
		<u>2,049,559</u>	<u>2,074,620</u>
5.	RAISING FUNDS		
	Investment management costs		
		2022	2021
		£	£
	Management costs	58,414	88,266
	Property repairs & Maintenance costs	42,109	42,628
	Rates & Insurance	97,272	42,037
	Legal & Professional fees	228,050	258,973
	Other portfolio management cost	26,738	22,387
	Interest payable & bank charge	<u>542,968</u>	<u>683,818</u>
		<u>995,551</u>	<u>1,138,109</u>
6.	CHARITABLE ACTIVITIES COSTS		
	The total grants paid to institutions during the year was as follows:		
		2022	2021
		£	£
	The Kemach Foundation	686,055	698,612
	Other donations less than £300,000	<u>2,018,097</u>	<u>1,737,923</u>
		<u>2,704,152</u>	<u>2,436,535</u>
7.	GRANTS PAYABLE		
		2022	2021
		£	£
	Education and training	1,470,909	1,051,030
	The advancement of health	100,280	95,760
	The prevention and relief of poverty	624,635	602,626
	Religious activities	179,161	297,499
	Other charitable purposes	<u>329,167</u>	<u>389,620</u>
		<u>2,704,152</u>	<u>2,436,535</u>

All donations were made to charitable institutions whose objects are in line with the objects of the charity.

RACHEL CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

8. SUPPORT COSTS

		Governance costs
Other resources expended		£ <u>9,435</u>

9. AUDITORS' REMUNERATION

	2022	2021
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>9,435</u>	<u>11,094</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2022 nor for the year ended 30 June 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2022 nor for the year ended 30 June 2021.

11. STAFF COSTS

There were no staff costs for the year ended 30 June 2022 nor for the year ended 30 June 2021.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund
	£
INCOME AND ENDOWMENTS FROM	
Donations and legacies	3,605,000
Investment income	<u>2,074,620</u>
Total	<u>5,679,620</u>
 EXPENDITURE ON	
Raising funds	1,138,109
Charitable activities	
Education and training	1,051,030
The advancement of health	95,760
The prevention and relief of poverty	602,626
Religious activities	297,499
Other charitable purposes	389,620
Other	<u>11,094</u>
Total	<u>3,585,738</u>
Net gains/(losses) on investments	<u>(452,399)</u>
 NET INCOME	 1,641,483

RACHEL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
RECONCILIATION OF FUNDS	
Total funds brought forward	18,840,601
TOTAL FUNDS CARRIED FORWARD	<u>20,482,084</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 July 2021 and 30 June 2022	<u>30,000</u>
NET BOOK VALUE	
At 30 June 2022	<u>30,000</u>
At 30 June 2021	<u>30,000</u>

Tangible fixed assets are initially recorded at cost. This is the charity's property which is intended for functional use. This is stated at cost and is treated as such until it is expected that fair value will be reliably measurable on a going concern basis.

14. FIXED ASSET INVESTMENTS

	Listed Investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 July 2021	19,368	3,160,001	3,179,369
Disposals	-	(350,000)	(350,000)
Revaluations	<u>467</u>	-	<u>467</u>
At 30 June 2022	<u>19,835</u>	<u>2,810,001</u>	<u>2,829,836</u>
NET BOOK VALUE			
At 30 June 2022	<u>19,835</u>	<u>2,810,001</u>	<u>2,829,836</u>
At 30 June 2021	<u>19,368</u>	<u>3,160,001</u>	<u>3,179,369</u>

Other non-UK securities are included in the financial statements at their fair value as at the balance sheet date.

Cost or valuation at 30 June 2022 is represented by:

	Listed Investments £	Unlisted investments £	Totals £
Valuation in 2021	4,767	(2,410,373)	(2,405,606)
Valuation in 2022	467	-	467
Cost	<u>14,601</u>	<u>5,220,374</u>	<u>5,234,975</u>
	<u>19,835</u>	<u>2,810,001</u>	<u>2,829,836</u>

The listed share investments are valued at fair value based on stock exchange value as at 30 June 2022.

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 July 2021	31,575,000
Additions	4,508,220
Revaluation	<u>4,126,780</u>
At 30 June 2022	<u>40,210,000</u>
NET BOOK VALUE	
At 30 June 2022	<u>40,210,000</u>
At 30 June 2021	<u>31,575,000</u>

Investment properties are stated at trustees' valuation, assisted by RICS qualified professionals at 30 June 2022. The trustees have extensive experience in the field of property investment and valuation accumulated over a considerable period of time. The valuation is based on the trustees' understanding of property market conditions and the specific properties concerned, using a sales valuation approach, derived from recent comparable transactions on the market, adjusted by discounts to reflect status of occupation and condition.

The historic cost of the freehold investment properties is £37,572,669 (2021:£33,064,449).

Fair value at 30 June 2022 is represented by:

	£
Valuation in 2019	(1,537,576)
Valuation in 2020	141,127
Valuation in 2021	(93,000)
Valuation in 2022	4,126,780
Cost	<u>37,572,669</u>
	<u>40,210,000</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	171,742	375,025
Other debtors	1,205,819	1,275,929
Prepayments and accrued income	<u>356,420</u>	<u>402,832</u>
	<u>1,733,981</u>	<u>2,053,786</u>

Included in other debtors is an amount of £198,462 (2021:£325,392) owed by a charity with common trustees.

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 19)	1,675,647	529,701
Trade creditors	9,157	3,747
Taxation and social security	105,745	133,957
Other creditors	<u>2,281,234</u>	<u>4,002,095</u>
	<u>4,071,783</u>	<u>4,669,500</u>

Other creditors include charitable commitments of £1,365,692 (2021:£1,343,681) pledged to be paid within one year.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 19)	14,135,063	13,333,240
Other creditors	<u>534,900</u>	<u>537,250</u>
	<u>14,669,963</u>	<u>13,870,490</u>

Other creditors include charitable commitments of £534,900 (2021:£537,250) pledged to be paid after one year.

19. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>1,675,647</u>	<u>529,701</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments:		
Bank loans more 5 yrs non-Inst	<u>14,135,063</u>	<u>13,333,240</u>

20. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank loans	<u>15,810,710</u>	<u>13,862,941</u>

RACHEL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

21. MOVEMENT IN FUNDS

	At 1.7.21 £	Net movement In funds £	At 30.6.22 £
Unrestricted funds			
General fund	20,482,084	6,193,090	26,675,174
TOTAL FUNDS	<u>20,482,084</u>	<u>6,193,090</u>	<u>26,675,174</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	5,853,120	(3,787,277)	4,127,247	6,193,090
TOTAL FUNDS	<u>5,853,120</u>	<u>(3,787,277)</u>	<u>4,127,247</u>	<u>6,193,090</u>

Comparatives for movement in funds

	At 1.7.20 £	Net movement In funds £	At 30.6.21 £
Unrestricted funds			
General fund	18,840,601	1,641,483	20,482,084
TOTAL FUNDS	<u>18,840,601</u>	<u>1,641,483</u>	<u>20,482,084</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	5,679,620	(3,585,738)	(452,399)	1,641,483
TOTAL FUNDS	<u>5,679,620</u>	<u>(3,585,738)</u>	<u>(452,399)</u>	<u>1,641,483</u>

RACHEL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022**

22. RELATED PARTY DISCLOSURES

During the year the charity paid £66,863 (2021: £302,540) for legal services charged by Fladgate LLP, a firm in which Mr S Kanter, trustee of the charity, is a partner. The partnership provided their services at a discounted charitable rate. The details are as follows:

	2021	2021
	£	£
Investment Management Costs	58,697	191,290
Property sale/purchase	-	1,250
Capitalised Finance Costs	<u>8,166</u>	<u>110,000</u>
	<u>66,863</u>	<u>302,540</u>

During the year, the charity made grants to charitable organisations that have some trustees in common with Rachel Charitable Trust. In addition, at the year end there were commitments to these charities in relation to their ongoing projects.

	Charitable expenditure £
The Kemach Foundation	686,055
Kemach Kildum Miktzoe Chareidi	126,930
The Jacob Foundation	<u>50,000</u>
	<u>862,985</u>

During the year, the Trustee, Mr L Noe was repaid £1,480,000 of his loan to the charity, further to which he donated £1,485,750 to the charity.
At the year end amounts owing to the Trustee was £70,000 (2021:£1,550,000).

23. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2022	2021
	£	£
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	<u>43,039,836</u>	<u>34,784,369</u>
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>2,347,084</u>	<u>4,237,705</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>18,741,746</u>	<u>18,539,990</u>

RACHEL CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

24. OPERATING LEASE COMMITMENTS

As Lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	1,700,347	1,706,444
Later than 1 year and not later than 5 years	4,072,568	3,909,494
Later than 5 years	<u>1,928,100</u>	<u>1,415,322</u>
	<u>7,701,015</u>	<u>7,031,260</u>

RACHEL CHARITABLE TRUST

England & Wales - Charity number 276441

Accounts

CHARITY REGISTRATION NUMBER: 276441

Rachel Charitable Trust

Financial Statements

30 June 2021

COHEN ARNOLD

Chartered accountants & statutory auditor

New Burlington House

1075 Finchley Road

London

NW11 0PU

Rachel Charitable Trust
Financial Statements
Year ended 30 June 2021

	Page
Trustees' annual report	1
Independent auditor's report to the members	5
Statement of financial activities	9
Statement of financial position	10
Statement of cash flows	11
Notes to the financial statements	12

Rachel Charitable Trust

Trustees' Annual Report

Year ended 30 June 2021

The trustees present their report and the financial statements of the charity for the year ended 30 June 2021.

Reference and administrative details

Registered charity name Rachel Charitable Trust

Charity registration number 276441

Principal office Fourth Floor
30 Market Place
London
W1W 8AP

The trustees Mr L Noé
Mrs S D Noé
Mr S Kanter LLB Hons
Mr S M Noé (Appointed 31 January 2022)

Charity secretary Mr R Chalk

Auditor Cohen Arnold
Chartered accountants & statutory auditor
New Burlington House
1075 Finchley Road
London
NW11 0PU

Bankers Metro Bank
1 Southampton Row
London
WC1B 5HA

Solicitors Fladgate LLP
16 Great Queen Street
London
WC2B 5DG

Structure, governance and management

Governing document

The organisation is governed by a Trust Deed dated 9 July 1978.

Appointment Training and Recruitment of Trustees

The organisation is run by the trustees who do not receive any remuneration in their capacity as trustees (see Note 11).

The statutory power of appointing new trustees or a new trustee is exercisable by the trustees during their joint lives and thereafter by the survivor of them.

Rachel Charitable Trust
Trustees' Annual Report *(continued)*
Year ended 30 June 2021

Structure, governance and management *(continued)*

Risk Management

The trustees have identified and reviewed the major risks to which the Trust is exposed, in particular those related to the operations and finance of the Trust, and are satisfied that systems are in place to mitigate those risks.

Financial risk management and policies

The charity holds or issues financial instruments in order to achieve three main objectives being:

- a) to finance its operations
- b) to manage its exposure to interest and currency risks arising from operations and from its sources of finance; and
- c) for generating funds.

In addition various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the charity's operations.

Credit risks

The charity monitors credit risk closely and considers that its current policies of credit risk checks meets its objectives of managing exposure to credit risk.

The charity has no significant concentrations of credit risks. Amounts shown in the balance sheet represent the maximum credit exposure in the event other parties fail to perform their obligations under the financial instruments including charitable loans that are made in the furtherance of charitable objectives.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objectives and activities

Charitable Objects

The charity was established for general charitable purpose and in particular for the relief of poverty and the advancement of religion and religious education.

Aims, Objectives and Activities for Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The trustees identify institutions and organisations which meet its above charitable objects and regularly support a number of these institutions and organisations, not only in England but also worldwide. In doing so the charity has complied with its duty to act for the public benefit in accordance with Section 4 of the Charities Act 2006.

The organisations and institutions which are regularly supported by Rachel Charitable Trust are growing and thus there is a continual call for support.

Rachel Charitable Trust
Trustees' Annual Report *(continued)*
Year ended 30 June 2021

Achievements and performance

The main areas of charitable activity are the provision of financial support to organisations engaging in religious education, advancement of religion and philanthropic aid to the needy. Charitable distributions were funded from current year incoming resources. During the year, £2,436,535 (2020: £5,656,080) was distributed in furtherance of the charity's objectives. Over 60 institutions and organisations were the recipients of the above donations.

Financial review

The charity is dependent on income from investments and voluntary donations.

During the year the charity received £2 million representing an overage payment relating to the sale of one of the charity's properties in August 2018. This is included in Net Gains in Investments.

The charity derives its income from property investments, including, amongst others, investments in the retail sector. The trustees have always maintained a cautious approach, however the Covid-19 pandemic has created a very challenging environment for the retail sector and, as a consequence, one of the charity's investments, in the opinion of the trustees, has been impaired. The trustees are of the view that this may not be a permanent position and that value in the investment may return in the longer term; however, in line with the trustees' cautious approach they have written down that investment as at the date of these financial statements to £1.

This impairment does not affect the charity's ability to meet its commitments or pledges and level of giving to charitable causes.

Investment powers and performance

In accordance with the trust deed, the charity has the power to make any investments which the trustees see fit. The trustees regularly review the charity's position and needs in respect of the investment policy.

Plans for future periods

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory incoming resources.

Grant making policy

The charity accepts applications for grants from representatives of various charities, which are reviewed by the trustees on a regular basis.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which the trustees think appropriate after considering the future commitments of the charity and the likely administrative costs of the charity for the next year.

At the year end the charity had unrestricted funds totalling £20,482,084.

Fixed Assets

The movements in fixed assets are fully reflected in the notes to the financial statements.

Land and buildings

The charity's investment properties have been valued by the charity's property advisers, and are stated at open market value.

Rachel Charitable Trust
Trustees' Annual Report *(continued)*
Year ended 30 June 2021

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

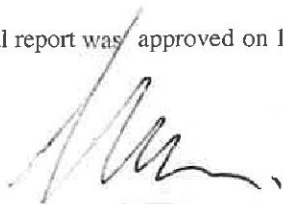
In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 17 February 2022 and signed on behalf of the board of trustees by:

Mr L Noé
Trustee



Rachel Charitable Trust
Independent Auditor's Report to the Members of Rachel Charitable Trust
Year ended 30 June 2021

Opinion

We have audited the financial statements of Rachel Charitable Trust (the 'charity') for the year ended 30 June 2021 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Rachel Charitable Trust

Independent Auditor's Report to the Members of Rachel Charitable Trust *(continued)*

Year ended 30 June 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Rachel Charitable Trust

Independent Auditor's Report to the Members of Rachel Charitable Trust *(continued)*

Year ended 30 June 2021

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company through discussion with the trustees and identified which were most significant with respect to the financial statements. We identified financial reporting legislation (including related companies legislation), charities legislation and taxation legislation as being most significant to these financial statements. We communicated these identified frameworks throughout our audit team and remained alert to any indications of non-compliance throughout the audit. We ensured that the engagement team had sufficient competence and capability to identify or recognise non-compliance with laws and regulations.
- We discussed with the trustees the policies and procedures regarding compliance with these legal and regulatory frameworks.
- We assessed the susceptibility of the company's financial statements to material misstatement due to non-compliance of legal and regulatory frameworks, including how fraud might occur, by enquiry with the trustees during the planning and finalisation phases of our audit and using proprietary disclosure checklists. This was determined to be low.
- Based on this understanding we designed our audit procedures to identify non-compliance with the identified legal and regulatory framework, which were part of our procedures on the related financial statement items. Our procedures included reviewing the company's internal controls policies and procedures, reviewing the minutes of board meetings and correspondence with regulatory bodies including HMRC, testing transactions outside the normal course of the business and journal entries, and discussions with the trustees.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Rachel Charitable Trust

Independent Auditor's Report to the Members of Rachel Charitable Trust *(continued)*

Year ended 30 June 2021

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Dov Harris FCA (Senior Statutory Auditor)

For and on behalf of
Cohen Arnold
Chartered accountants & statutory auditor
New Burlington House
1075 Finchley Road
London
NW11 0PU

17 February 2022

Rachel Charitable Trust
Statement of Financial Activities
Year ended 30 June 2021

		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	3,605,000	3,605,000	4,069,933
Investment income	5	2,074,620	2,074,620	1,791,971
Total income		<u>5,679,620</u>	<u>5,679,620</u>	<u>5,861,904</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	6	(1,104,773)	(1,104,773)	(1,930,809)
Expenditure on charitable activities	7,8	(2,480,965)	(2,480,965)	(5,699,821)
Total expenditure		<u>(3,585,738)</u>	<u>(3,585,738)</u>	<u>(7,630,630)</u>
Net gain on investments	10	1,957,974	1,957,974	(147,393)
Net income/(expenditure)		<u>4,051,856</u>	<u>4,051,856</u>	<u>(1,916,119)</u>
Impairment loss	12	(2,410,373)	(2,410,373)	–
Net movement in funds		1,641,483	1,641,483	(1,916,119)
Reconciliation of funds				
Total funds brought forward		18,840,601	18,840,601	20,756,720
Total funds carried forward		<u>20,482,084</u>	<u>20,482,084</u>	<u>18,840,601</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 12 to 22 form part of these financial statements.

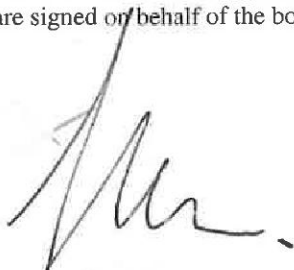
Rachel Charitable Trust
Statement of Financial Position

30 June 2021

		2021		2020	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	13		30,000		30,000
Investments	14		34,754,369		37,534,975
			34,784,369		37,564,975
Current assets					
Debtors	15	2,053,786		896,835	
Cash at bank and in hand		2,183,919		985,230	
		4,237,705		1,882,065	
Creditors: amounts falling due within one year	16	(4,669,500)		(15,789,748)	
Net current liabilities			(431,795)		(13,907,683)
Total assets less current liabilities			34,352,574		23,657,292
Creditors: amounts falling due after more than one year	17		(13,870,490)		(4,816,691)
Net assets			20,482,084		18,840,601
Funds of the charity					
Unrestricted funds			20,482,084		18,840,601
Total charity funds	18		20,482,084		18,840,601

These financial statements were approved by the board of trustees and authorised for issue on 17 February 2022 and are signed on behalf of the board by:

Mr L Noé
Trustee



The notes on pages 12 to 22 form part of these financial statements.

Rachel Charitable Trust
Statement of Cash Flows
Year ended 30 June 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net income/(expenditure)	4,051,856	(1,916,119)
<i>Adjustments for:</i>		
Net gains/(losses) on investments	(1,957,974)	147,393
Dividends, interest and rents from investments	(1,644,129)	(1,115,365)
Other interest receivable and similar income	(1,605)	(929)
Accrued (income)/expenses	(582,193)	2,343,690
Interest payable	683,818	1,254,644
<i>Changes in:</i>		
Trade and other debtors	(888,201)	173,272
Trade and other creditors	353,189	(78,035)
Cash generated from operations	<u>14,761</u>	<u>808,551</u>
Interest received	1,605	929
Net cash from operating activities	<u>16,366</u>	<u>809,480</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	1,513,486	1,230,987
Purchases of other investments	(93,000)	(141,127)
Proceeds from sale of other investments	2,421,208	200,000
Net cash from investing activities	<u>3,841,694</u>	<u>1,289,860</u>
Cash flows from financing activities		
Proceeds from borrowings	265,000	4,389,000
Repayments of borrowings	(1,969,553)	(4,350,233)
Interest paid	(954,818)	(1,289,230)
Net cash used in financing activities	<u>(2,659,371)</u>	<u>(1,250,463)</u>
Net increase in cash and cash equivalents	<u>1,198,689</u>	<u>848,877</u>
Cash and cash equivalents at beginning of year	<u>985,230</u>	<u>136,353</u>
Cash and cash equivalents at end of year	<u>2,183,919</u>	<u>985,230</u>

The notes on pages 12 to 22 form part of these financial statements.

Rachel Charitable Trust
Notes to the Financial Statements
Year ended 30 June 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Fourth Floor, 30 Market Place, London, W1W 8AP.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Governance Costs

Governance costs include the cost of the preparation and audit of the financial statements and the cost of any legal advice to the trustees on governance or constitutional matters.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2021

3. Accounting policies *(continued)*

Taxation

The charity is not liable to direct taxation on its income which falls within the various exemptions available to registered charities. As a result no deferred tax is provided on timing differences. The charity is registered for Value Added Tax (VAT) in respect of its investment properties and is therefore able to reclaim any input tax it suffers on its property expenses and purchases. Expenditure in the accounts other than on investment property is therefore shown inclusive of VAT where appropriate.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for a particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations is accounted for only when received.
- interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2021

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity.

Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Charitable activities

Grants payable are charged to the statement of financial activities once the charity has made a commitment to pay the grant and this has been communicated to the beneficiary or the grant has been paid, whichever is earlier.

Charitable commitments are provided for in the financial statements if there is a legal or constructive obligation at the year end.

Charitable commitments are derecognised when the charity's contractual obligations are discharged or cancelled.

Tangible assets

This is the charity's property which is intended for functional use. This is stated at cost and is treated as such until it is expected that fair value will be reliably measurable on a going concern basis.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investment property

All investment properties are stated at trustees' valuation, assisted by RICS qualified professionals.

Acquisitions and disposals of properties

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2021

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2021

4. Donations and legacies

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Donations				
General Donations	3,605,000	3,605,000	4,069,933	4,069,933

Donations received in the year include £154,000 (2020: £81,118) from one of the trustees of the charity.

5. Investment income

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Rental Income	2,073,015	2,073,015	1,791,042	1,791,042
Bank Interest Receivable	1,605	1,605	929	929
	<u>2,074,620</u>	<u>2,074,620</u>	<u>1,791,971</u>	<u>1,791,971</u>

6. Investment management costs

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Management costs	88,266	88,266	55,636	55,636
Property repairs and maintenance charges	42,628	42,628	230,023	230,023
Rates and insurance	42,037	42,037	37,263	37,263
Legal & professional fees	225,637	225,637	183,447	183,447
Other portfolio management costs	22,387	22,387	169,308	169,308
Interest payable and bank charges	683,818	683,818	1,255,132	1,255,132
	<u>1,104,773</u>	<u>1,104,773</u>	<u>1,930,809</u>	<u>1,930,809</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Donations made	2,436,535	2,436,535	5,656,080	5,656,080
Support costs	44,430	44,430	43,741	43,741
	<u>2,480,965</u>	<u>2,480,965</u>	<u>5,699,821</u>	<u>5,699,821</u>

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2021

8. Expenditure on charitable activities by activity type

	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Donations made	<u>2,436,535</u>	<u>44,430</u>	<u>2,480,965</u>	<u>5,699,821</u>

All donations were made to charitable institutions whose objects are in line with the objects of the charity which include the relief of poverty, advancement of religion and religious education.

Included in the charitable activities are the following material grants made during the year:

	2021 £
The Kemach Foundation	698,612
The Ruzin Sadagora Trust	230,000
Other donations less than £200,000	1,507,923
	<u>2,436,535</u>

9. Analysis of support costs

	Audit fees £	Governance costs £	Total 2021 £	Total 2020 £
Support costs	<u>11,094</u>	<u>33,336</u>	<u>44,430</u>	<u>43,741</u>

10. Net gain on investments

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gain on investments	<u>1,957,974</u>	<u>1,957,974</u>	<u>(147,393)</u>	<u>(147,393)</u>

Included in the gain on investments is a revaluation loss of £93,000.

11. Trustee remuneration and expenses

The charity has no staff other than the three trustees and a secretary all of whom give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2020: £nil).

The charity did not meet any expenses incurred by the trustees for services provided to the charity (2020: £nil).

12. Impairment loss

	2021 £	2020 £
Impairment loss	<u>2,410,373</u>	<u>—</u>

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2021

12. Impairment loss *(continued)*

The charity derives its income from property investments, including, amongst others, investments in the retail sector. The trustees have always maintained a cautious approach, however the Covid-19 pandemic has created a very challenging environment for the retail sector and, as a consequence, one of the charity's investments, in the opinion of the trustees, has been impaired. The trustees are of the view that this may not be a permanent position and that value in the investment may return in the longer term.

13. Tangible fixed assets

	Land and buildings £
Cost	
At 1 July 2020 and 30 June 2021	<u>30,000</u>
Depreciation	
At 1 July 2020 and 30 June 2021	<u>—</u>
Carrying amount	
At 30 June 2021	<u>30,000</u>
At 30 June 2020	<u>30,000</u>

Tangible fixed assets are initially recorded at cost. This is the charity's property which is intended for functional use. This is stated at cost and is treated as such until it is expected that fair value will be reliably measurable on a going concern basis.

14. Investments

	Listed investments £	Investment properties £	Other investments £	Total £
Cost or valuation				
At 1 July 2020	14,601	31,650,000	5,870,374	37,534,975
Additions	—	93,000	—	93,000
Disposals	—	(75,000)	—	(75,000)
Fair value movements	4,767	(93,000)	—	(88,233)
Other movements	—	—	(300,000)	(300,000)
At 30 June 2021	<u>19,368</u>	<u>31,575,000</u>	<u>5,570,374</u>	<u>37,164,742</u>
Impairment				
At 1 July 2020			—	—
Disposals			—	—
Impairment losses			(2,410,373)	(2,410,373)
At 30 June 2021			<u>(2,410,373)</u>	<u>(2,410,373)</u>
Carrying amount				
At 30 June 2021	<u>19,368</u>	<u>31,575,000</u>	<u>3,160,001</u>	<u>34,754,369</u>
At 30 June 2020	<u>14,601</u>	<u>31,650,000</u>	<u>5,870,374</u>	<u>37,534,975</u>

All investments shown above are held at valuation.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2021

14. Investments *(continued)*

Investment properties

The freehold investment properties are stated at trustees' valuation, assisted by RICS qualified professionals, at 30 June 2021. The trustees have extensive experience in the field of property investment and valuation accumulated over a considerable period of time. The valuation is based on the trustees' understanding of property market conditions and the specific properties concerned, using a sales valuation approach, derived from recent comparable transactions on the market, adjusted by applying discounts to reflect status of occupation and condition.

The historical cost of the freehold investment properties is £33,064,449 (2020: £33,198,696).

Other non-UK securities are included in the financial statements at their fair value as at the balance sheet date.

Financial assets held at fair value

The listed share investments are valued at fair value based on stock exchange value as at 30 June 2021.

15. Debtors

	2021	2020
	£	£
Trade debtors	1,323,138	679,521
Prepayments and accrued income	402,832	134,082
Other debtors	327,816	83,232
	<u>2,053,786</u>	<u>896,835</u>

16. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	529,701	11,572,053
Trade creditors	315,486	–
Accruals and deferred income	72,568	211,978
Social security and other taxes	133,957	96,254
Trustee's loan account	1,550,000	1,285,000
Other creditors	2,067,788	2,624,463
	<u>4,669,500</u>	<u>15,789,748</u>

The bank loans are secured on the investment properties of the charity.

The charity seeks to reduce its exposure to financial risk by ensuring that most of its exposure to adverse interest rate movements is limited through the use of fixed rate financial liabilities.

The trustee, Mr L Noé, has confirmed that he will not demand repayment of his loan, which is interest-free, until the charity is in a position to do so, of its own volition. Since the balance sheet date, £1.48 million has been repaid.

Other creditors include charitable commitments of £1,343,681 (2020: £1,767,464) pledged to be paid within one year.

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2021

17. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	13,333,240	4,260,441
Other creditors	537,250	556,250
	<u>13,870,490</u>	<u>4,816,691</u>

Other creditors include charitable commitments of £537,250 (2020: £556,250) pledged to be paid more than one year after the Balance Sheet date.

18. Analysis of charitable funds

Unrestricted funds

	At 1 July 2020	Income	Expenditure	Gains and losses	At 30 June 2021
	£	£	£	£	£
General funds	<u>18,840,601</u>	<u>3,269,247</u>	<u>(3,585,738)</u>	<u>1,957,974</u>	<u>20,482,084</u>
	At 1 July 2019	Income	Expenditure	Gains and losses	At 30 June 2020
	£	£	£	£	£
General funds	<u>20,756,720</u>	<u>5,861,904</u>	<u>(7,630,630)</u>	<u>(147,393)</u>	<u>18,840,601</u>

19. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2021
	£	£
Tangible fixed assets	34,784,369	34,784,369
Current assets	4,237,705	4,237,705
Creditors less than 1 year	(4,669,500)	(4,669,500)
Creditors greater than 1 year	(13,870,490)	(13,870,490)
Net assets	<u>20,482,084</u>	<u>20,482,084</u>
	Unrestricted Funds	Total Funds 2020
	£	£
Tangible fixed assets	37,564,975	37,564,975
Current assets	1,882,065	1,882,065
Creditors less than 1 year	(15,789,748)	(15,789,748)
Creditors greater than 1 year	(4,816,691)	(4,816,691)
Net assets	<u>18,840,601</u>	<u>18,840,601</u>

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2021

20. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2021	2020
	£	£
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	<u>34,784,369</u>	<u>37,564,975</u>
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>4,237,705</u>	<u>1,882,065</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>18,539,990</u>	<u>20,606,439</u>

21. Analysis of changes in net debt

	At 1 Jul 2020	Cash flows	At 30 Jun 2021
	£	£	£
Cash at bank and in hand	985,230	1,198,689	2,183,919
Debt due within one year	(11,572,053)	11,042,352	(529,701)
Debt due after one year	(4,260,441)	(9,072,799)	(13,333,240)
	<u>(14,847,264)</u>	<u>3,168,242</u>	<u>(11,679,022)</u>

22. Operating lease commitments

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	1,706,444	1,700,712
Later than 1 year and not later than 5 years	3,909,494	4,191,003
Later than 5 years	1,415,322	1,436,169
	<u>7,031,260</u>	<u>7,327,884</u>

Rachel Charitable Trust
Notes to the Financial Statements *(continued)*
Year ended 30 June 2021

23. Related parties

During the year the charity paid £302,540 (2020: £126,550) for legal services charged by Fladgate LLP, a firm in which Mr S Kanter, trustee of the charity, is a partner. The partnership provided their services at a discounted charitable rate. The details are as follows:

	2021	2020
	£	£
Investment Management Costs	191,290	85,050
Property sale	1,250	–
Capitalised Finance Costs	110,000	41,500
	<u>302,540</u>	<u>126,550</u>

During the year, the charity made grants to charitable organisations that have some trustees in common with Rachel Charitable Trust. In addition, at the year end there were commitments to these charities in relation to their ongoing projects.

The relevant details are as follows:

	Charitable expenditure	Charitable commitments
	£	£
The Kemach Foundation	677,032	362,148
Kemach Kidum Miktzoe Chareidi	259,608	–
Kisharon	63,350	60,000
	<u>999,990</u>	<u>422,148</u>